



Daily Report

China

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22 June 1994

Daily Report

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22 June 1994

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General

Rong Yiren Meets UK, U.S. Entrepreneurs

OW2106120894 Beijing XINHUA in English 1200
GMT 21 Jun 94

[Text] Beijing, June 21 (XINHUA)—Chinese Vice President Rong Yiren today urged British and American business people to take advantage of China's reform and opening-up and lose no time to strengthen economic and technical cooperation with Chinese enterprises.

The vice-president made the call when meeting with C.R. Sitter, president of Exxon Corporation and Lord Prior, chairman of General Electric Company here this morning.

From the long run, the Chinese vice-president said during his meeting with Lord Prior, the series of fundamental reform measures introduced in taxation, banking and foreign trade at the beginning of this year, which were designed to promote a socialist market economic structure best suited to Chinese conditions, will make it more convenient and more favorable for foreign investors to invest and conduct economic and technical cooperation in China.

Despite the fact that China was not familiar with market economy, Rong said, China has adopted all possible measures in the course of deepening reform and opening-up and these have laid a solid foundation for Sino-foreign cooperation in all domains.

The vice-president said that the strengthening of cooperation between developed and developing countries will facilitate economic recovery and growth of developed countries.

In a certain sense, he noted, it is the best way of promoting the development of the world economy by strengthening "South-North cooperation. [no closing quote as received]

Rong told Mr. C.R. Sitter that China has always attached much importance to the development of energy industry. Although tremendous progress has been made over the past decade in China's energy industry, he added, it is still unable to keep pace with the development of the entire national economy.

He said that China hopes that all internationally known corporations such as Exxon would take further steps to strengthen cooperation with China in energy and petrochemicals, including the utilization of funds and advanced technologies of these corporations.

He told Mr. Sitter that all the reform measures introduced in China have yielded significant results as shown in the increase of state revenue, stable foreign exchanges rates, and rising foreign exchange reserves.

It is rather normal that some problems may occur in the course of reform, the Chinese vice-president said. What is most important is discover and solve them by taking practicable measures.

Lord Prior and Mr. Sitter came to China at the invitation of the China International Trust and Investment Corporation and the China National Petrochemical Corporation. Their corporations are ready to conduct a new round of cooperation with Chinese departments in the development of the power industry and the exploration and development of land and offshore oil.

Li Lanqing Congratulates Arbitration Conference

OW2206072794 Beijing XINHUA in English 0659
GMT 22 Jun 94

[Text] Beijing, June 22 (XINHUA)—An international commercial arbitration conference opened here today.

At the conference over 250 experts and scholars in the fields of economy and trade, arbitration and the legal profession from 30 countries will discuss the latest developments in international arbitration, arbitration legislation and practice.

It is the first time that such conference has ever been held in a developing country.

Chinese Vice-Premier Li Lanqing sent a letter of congratulations to the conference, which is co-sponsored by the International Council for Commercial Arbitration (ICCA) and the China International Economic and Trade Arbitration Committee (CIETAC).

Zheng Hongye, president of the China Council for the Promotion of International Trade and chairman of the CIETAC, said at the opening ceremony that China has solved many international commercial conflicts through arbitration in the past 40 years, and its arbitration system has steadily improved.

China has become one of the major centers for international commercial arbitration, he said.

Zheng said that China will spare no efforts to make its economic laws come closer to international standards, especially those of the General Agreements on Tariffs and Trade.

Not long ago, he noted, China adopted a foreign trade law, and laws of arbitration and commerce are now under discussion.

Earlier today, Vice-Premier Li Lanqing met with the foreign delegates attending the conference.

He said during the meeting that the Chinese Government always supports not only the development of arbitration in China, but also exchanges and co-operation between Chinese and international arbitration circles.

Since China adopted the open policy in the late 1970s arbitration has played and will continue to play an important role in supporting the constant development of China's economy, Li said.

It is learned that so far China has included arbitration regulations in 14 laws, 82 administrative regulations and 190 local laws.

Signed Article on Five Principles of Coexistence

OW2106125394 Beijing XINHUA in English 1242
GMT 21 Jun 94

[Text] Beijing, June 21 (XINHUA)—Mutual respect for sovereignty and mutual benefit are of even more prominent significance in this post-Cold War era, when economic factors are playing a greater role in the international arena.

This is the message of a signed article by the China Center for International Studies carried in today's PEOPLE'S DAILY in commemoration of the 40th anniversary of the proclamation of the five principles.

It stresses that the five principles are still indispensable in preserving world peace and promoting development in the current multipolarized world, both politically and economically.

The five principles, namely mutual respect for territorial integrity and sovereignty, mutual non-aggression, non-interference in each other's internal affairs, equality and mutual benefit, and peaceful coexistence, were jointly initiated by China, India and Myanmar [Burma] in late June 1954.

The world of today, featured by the dismembering of the former Soviet Union and the relatively weakening of the United States, provides an excellent opportunity and extensive base for the implementation of the five principles, the article says. In this aspect, the imposing of ideology by any one country on another to the neglect of the sovereignty of independent states can no longer work, the article notes.

The developed countries should provide more preferential conditions for the developing countries in the forms of economic aid, technical transfer and trade while thoroughly abandoning the practice of attaching political conditions while doing so. Thus, the principles of mutual respect for sovereignty and territorial integrity and equality and mutual benefit are of conspicuous significance nowadays, the article says.

Despite the end of the Cold War, the conflicts centering on sovereignty have become even more prominent, as the western countries are still trying to infringe on the sovereignty of the Third World countries and interfere in their internal affairs by advocating "human rights ahead of sovereignty" and "sovereignty is outmoded". The fact is that while chanting "sovereignty is out of date", some developed countries never bother to limit their own sovereignty, but rather to set barriers to other countries' efforts to protect their sovereignty.

Only by upholding the five principles, the principle of non-interference in each other's internal affairs in particular, can the third world countries maintain their independence and develop their economies.

The five principles have so far been well accepted by the world as the fundamental standards in handling not only bilateral but also multilateral relations among countries, the article says.

In conclusion, the article says that in the present transition period from the old world pattern to a new one, adherence to the five principles will help solve the issues facing the world and establish a fair and reasonable new international order.

Clinton Meets Hungarian, Slovakian Presidents

OW2106210294 Beijing XINHUA in English 1958
GMT 21 Jun 94

[Text] Washington, June 21 (XINHUA)—U.S. President Bill Clinton met here today with presidents of Hungary and Slovakia and congratulated their "genuine leadership ability."

After their meeting with Clinton, Hungarian President Arpad Goncz and Slovakia President Michal Kovac will travel to New York to receive an award from the Institute for East West Studies for their contribution to international understanding.

The two Central European presidents issued a joint statement that they would work closely to "effect an historic reconciliation."

"Despite frictions and conflicts, our nations have lived together, enriching each other materially and culturally, for many centuries," the statement said.

"The differences which exist do not threaten and even sometimes make more evident what we have in common. We are committed to overcoming any psychological inhibitions that might endanger cooperation," it added.

Iranian Paper Reports UK Intelligence Activities

OW2106133094 Beijing XINHUA in English 1252
GMT 21 Jun 94

[Text] Teheran, June 21 (XINHUA)—Britain has installed sophisticated devices in the grounds of its embassy in Teheran to eavesdrop on sensitive Iranian departments including intelligence and foreign ministries, the weekly magazine KAYHAN HAVAI [name as received] reported.

The weekly, which is coming off here Wednesday [21 June], said that the devices have been brought into Iran in "diplomatic pouches" over the past few months.

The shipment of the listening devices had been decided upon months before the British intelligence service planted bugging devices in the Iranian Embassy in London, it added.

The official report said that the devices have enabled the British intelligence service to listen in on sensitive Iranian departments including ministries. The main targets are the intelligence, foreign and interior ministries.

A group of Iranian students studying electronics in British Universities were quoted by the weekly magazine as saying that the British Telecommunications had confirmed the shipment but had not elaborated.

The students have called on the Iranian Government to take adequate legal measures and order the British to remove the devices from their embassy.

With regard to the recent exposure of bugging devices planted by British intelligence in the Iranian Embassy in London, the students criticized the Iranian Government for failing to employ Iranians to repair damage to the embassy building.

The weekly quoted the students as saying that "British workers had helped British intelligence to plant the bugging devices while repairing the embassy."

The recent hostile actions between the two sides have undermined the already fragile relations between Teheran and London. The political row between the two countries has led to the expulsion of one diplomat from each side.

United States & Canada

Editorial Attacks U.S. Human Rights Report

HK2106113194 Hong Kong WEN WEI PO in Chinese
11 Jun 94 p A2

[Editorial: "The Dialogue on Human Rights Should Be Conducted on an Objective and Just Basis"]

[Text] In its long article published on 8 June, China's Society for the Study of Human Rights refuted with incontestable data and objective analyses the criticism of China's human rights conditions contained in the China section of the human rights report issued by the U.S. State Department in 1993. This has fully manifested China's open and aboveboard position on the human rights issue.

The Society for the Study of Human Rights justly and forcefully denounced the U.S. State Department's deliberate distortion and unwarranted accusations regarding China's human rights conditions, which once again proves that China has never evaded discussion or dialogue on human rights. What China resolutely opposes is merely the hegemonism with which one country imposes its own views on others, interferes in others' internal affairs, and exerts pressure on others under the pretext of the human rights issue. The United States has precisely given itself the mantle of an "international human rights judge," has vested itself with the "power" to unilaterally examine human rights conditions in other countries and to wantonly criticize others' political, economic, social, cultural, and judicial systems. This runs counter to the spirit of the "UN Charter." The United States' tyrannical act, in which "the common people are forbidden to light lamps while the magistrates are free to burn down houses," was refuted by the above-mentioned society on just grounds. It also clarified the United States' slander regarding China's human rights conditions. This is conducive to pushing forward the dialogue on human rights issues among members of the international community on an equal basis, conducting international cooperation, seeking common ground while reserving differences, and safeguarding and promoting the cause of human rights throughout the world.

The Society for the Study of Human Rights article first laid bare the U.S. double standard on human rights issues. For example, the United States attacked China's punishment of antirevolutionary criminals. In fact, China's criminal law unequivocally defines antirevolutionary crime as actions that jeopardize state security. Every country—including the United States—has stringent laws to punish crimes that jeopardize state security, and the punishment for such crimes is particularly severe in the United States. As for actions outside the law, the memory of the United States' cruel suppression of the black human rights movement and the student movement against the Vietnam War in the 1960's, in which troops were sent to fire on students in their campuses, are still fresh in people's minds. The various kinds of criminals imprisoned in the United States far outnumber those in China on a per capita basis, so on what basis is the United States criticizing China for its punishment of criminals who jeopardize state security? On what grounds can it criticize China for making "indiscriminate arrests"? As a matter of fact, the U.S. double standard on the above subject is aimed at interfering in and subverting other countries under the cover of the human rights issue. For example, "Operation Yellow Bird," with which many Hong Kong people are familiar, was a plan to interfere in China's internal affairs and subvert the Chinese Government. The plan was carried out precisely under the slogan of so-called "human rights," and the U.S. CIA had a hand in it.

In its human rights report, the U.S. State Department racked its brain to fabricate charges on China's human rights conditions, but they are in conflict with one another, as its unwarranted accusations are utterly groundless. The most ironic of all is that many of the report's accusations against China are in precisely those areas where China has performed much better than the United States. Take the so-called discrimination against women in China as an example. The status and rights of Chinese women are much better than those of American women. The United States also describes China as a country in which the people's lives and safety are not protected. Last January, the east coast of the United States and China's northern city of Harbin were both hit by exceptionally cold weather, and the temperature in Harbin was approximately 10 degrees Celsius lower than that in the east coast of the United States. While nobody died from the cold spell in Harbin, more than 130 people froze to death in Washington D.C. alone! This fact fully shows that the human rights conditions in the United States are not better than those in China, and in many areas are much worse. However, just 10 days after more than 130 people died from the cold in the U.S. capital, the United States published a human rights report criticizing China and many other countries on their human rights conditions. Nothing is more preposterous than this.

As long as any one takes a fair and objective stance, he will be able to note that China's human rights conditions are constantly improving. New China has enabled one-fifth of the world's population to shake off the position of having no human rights at all and of being bullied, humiliated, and slaughtered by foreign hegemonists at will. Since the

founding of the PRC approximately 40 years ago—particularly after 15 years of reform and opening up—the Chinese people, a population of 1.2 billion, have basically resolved the problem of having adequate food and clothing and are advancing toward a moderate level of prosperity.

As the Chinese people are working and living in peace and contentment, the democratic politics and the building of the legal system in China are vigorously being strengthened, and the positive development trend of human rights in China has considerably promoted and contributed to the cause of human rights in the world. Instead of looking squarely at this fact, the United States is distorting and slandering China's human rights conditions by piecing together information from hearsay or from its own subjective conjecture in its human rights report, demonstrating its complete lack of a serious, fair, and objective attitude.

China has always maintained that, owing to the historical, cultural, social, and national conditions in different countries, there has never been a unified yardstick or pattern to follow in the human rights issue, and no country should impose its yardstick or pattern on others; still less should a country use this as an excuse to interfere in or even subvert other countries. Differences should be ironed out through a dialogue which is characterized by objectivity, fairness, and equality. Only by so doing can it contribute to world peace and progress. For example, on the issue of Sino-U.S. trade, China has always maintained that trade and human rights should be separated, and the latter should not be used as a weapon to wage a trade war or put pressure on others. China's position has won support from various countries, leaving the United States no alternative but to sever its link between trade and human rights in future trade with China. The long article published by the Society for the Study of Human Rights is, in essence, a dialogue on the human rights issue conducted with the United States on an equal footing and in an objective and fair attitude and position. The United States should realize that it has no authority to vest itself with the "power" to one-sidedly examine and criticize other countries' human rights conditions. It is advisable for the United States to hold human rights dialogues with various countries, particularly the vast number of developing countries, including China, sincerely and on an equal footing. Otherwise, if it continues to publish its one-sided reports examining other countries' human rights conditions year after year, it will only evoke dissatisfaction from various countries, the developing countries in particular, and will sink deeper and deeper into isolation.

Clinton Insists on Universal-Coverage Health Plan

OW2006223294 Beijing XINHUA in English 2136 GMT 20 Jun 94

[Text] Washington, June 20 (XINHUA)—U.S. President Bill Clinton stressed here today that he expects changes to be made in his health care reform bill, but he remains adamant that it must be universal, meaning covering all Americans.

Clinton who is expected to lobby heavily for his health reform package this week, told a U.S. TV program this morning that health care doesn't have to be done tomorrow. It ought to be phased in over a period of just a few years. "But we ought not to walk away without a bill that provides health care to all Americans."

The President's health care package is now under siege in U.S. Congress.

U.S. Senate Finance Committee Chairman Daniel Patrick Moynihan, whose closely watched committee is considered crucial in shaping a final health reform plan, told a TV program Sunday [18 June] that there is no chance Congress will pass a bill with iron clad promises of health insurance for all Americans. But he held out the prospect of an abridged version in which health care would be available in about 10 years.

Moynihan and Sen. Bob Packwood, the ranking minority member of the Finance Committee, delivered that message to Clinton last week.

The U.S. president said that he is aware that tens of millions of dollars "in special interest money" has been spent to convince people "that our plan is wrong."

"We needed to make some changes in our plan," Clinton added. "But I also know that the right thing for America is to do what every other advanced country has done in guaranteeing middle-class working people health care that can't be taken away. All I want to do is to give the American people what the president and the Congress and the federal government employees have," he said.

Clinton Urges Businesses To Support Health Reform

OW2106222994 Beijing XINHUA in English 2137 GMT 21 Jun 94

[Text] Washington, June 21 (XINHUA)—U.S. President Bill Clinton today urged U.S. business leaders to help win passage of a health care reform program covering all Americans.

Speaking to the business roundtable, an influential group of U.S. business executives, the U.S. president complained that Washington is "too partisan, too negative, too obsessed with process and conflict."

The atmosphere still has been more hostile to change than he had imagined it would be, Clinton said, adding that the American people desperately wanted change, but U.S. Congress and business are often unwilling to listen to them.

Seventeen months in office, Clinton said that he was still surprised by the opposition he has faced.

The business roundtable has endorsed a less ambitious health care reform plan than the one Clinton has suggested. The President's version is now stuck in U.S. Congress.

Facing predictions that Congress won't be able to enact universal coverage this year, Clinton said, "I refuse to declare defeat... let us not walk away."

Just before Clinton spoke, another Democrat on the pivotal Senate Finance Committee, Bill Bradley of New Jersey, backed away from the employer-mandate that is a central ingredient of the President's plan and floated a proposal to substitute an individual mandate instead.

Senate majority leader George Mitchell told the committee it would be mid-July before a bill could come to the floor.

The U.S. president used his speech to the business roundtable to seek support also for his proposals to overhaul the welfare system, job-training programs and to win passage of major trade legislation.

Perry Visits Panama, Honduras, Puerto Rico
OW2106210794 Beijing XINHUA in English 2016 GMT 21 Jun 94

[Text] Washington, June 21 (XINHUA)—U.S. Defense Secretary William Perry will make a visit to Panama, Honduras and Puerto Rico this week, the Defense Department announced here today.

Perry will leave Washington on Thursday [23 June] and return here on Sunday. Pentagon spokeswoman Kathleen Delaski told reporters at a regular news briefing.

The secretary is scheduled to meet with President Guillermo Endara at the presidential palace in Panama and with Vice President Walter Lopez in Honduras.

Perry will also visit the U.S. Southern Command in Panama and meet with troops assigned [to] the Southern Command, Delaski said.

Northeast Asia

Japan Denies Capability To Produce Nuclear Weapons

OW2106115794 Beijing XINHUA in English 1149 GMT 21 Jun 94

[Text] Tokyo, June 21 (XINHUA)—Japan today denied that it is capable of producing nuclear weapons, saying the nation "does not have any expertise or experience in producing nuclear weapons."

"Japan has highly advanced technology for the peaceful use of nuclear energy," however, mere possession of high-level nuclear technology and scientific technology does not amount to production ability, Foreign Ministry Spokesman Terusuke Terada told a regular press conference.

Terada's denial of Japan's nuclear potential came days after Prime Minister Tsutomu Hata acknowledged that Japan has the capability to produce nuclear arms but said it has not done so in line with its international treaty obligations.

"It's certainly the case that Japan has the capability to possess nuclear weapons but has not made them," Hata told Japanese reporters inside the Diet building last Friday.

Terada said Japan's nuclear power activities are restricted to peaceful purpose by the nuclear Nonproliferation Treaty, the atomic energy basic law and others.

As the only country that suffered from atomic bombing, Japan strictly upholds a so-called three no's principle—no possession, no manufacturing and no introduction of nuclear weapons, he said.

XINHUA Kills Item on ROK Pre-Summit Proposal

Original Version

OW2206074794 Beijing XINHUA Domestic Service in Chinese 0650 GMT 20 Jun 94

[By reporter Zhang Zhongyi (1728 1813 5030); Beijing XINHUA Domestic Service in Chinese at 0817 GMT on 20 June transmits a service message replacing the following item]

[Text] Seoul, 20 Jun (XINHUA)—ROK Prime Minister Yi Yong-dok today faxed a message to his DPRK counterpart Kang Song-san, proposing that contact between representatives of North and South Korea [chao xian nan bei 2600 7639 0589 0554] at the deputy-prime-ministerial level be made to discuss relevant issues concerning the summit meeting.

Yi Yong-dok proposed contact be made in the Home of Peace south of the military demarcation line at Panmunjom at 10 am on 28 June, by a three-member delegation with about five aides from each side headed by a deputy prime minister.

Earlier, former U.S. President Jimmy Carter who visited Pyongyang relayed to ROK President Kim Yong-sam a proposal by DPRK President Kim Il-song on holding a summit. Kim Yong-sam accepted the proposal without hesitation.

Yi Yong-dok chaired a high-level strategic meeting of the ROK Government this morning. The meeting decided to make the proposal on the South-North representatives' contact.

Yi Yong-dok said in the faxed message: "I was authorized to let you know that we agree to your (DPRK) proposal as it is correct considering the wish of the nation, and the inward and outward situation on the Korean peninsula."

The message urges the DPRK to make a "positive response" to the ROK proposal on the representatives' contact.

Replacement Version

OW2206075494 Beijing XINHUA Domestic Service in Chinese 0817 GMT 20 Jun 94

[By reporter Zhang Zhongyi (1728 1813 5030)]

[Text] Seoul, 20 Jun (XINHUA)—ROK Prime Minister Yi Yong-dok today faxed a message to his DPRK counterpart Kang Song-san, proposing that contact between representatives of North and South at the deputy-prime-ministerial level be made to discuss relevant issues concerning the summit meeting.

Yi Yong-dok proposed contact be made in the Home of Peace south of the military demarcation line at Panmunjom at 10 am on 28 June, by a three-member delegation with about five aides from each side headed by a deputy prime minister.

Earlier, former U.S. President Jimmy Carter who visited Pyongyang relayed to ROK President Kim Yong-sam a proposal by DPRK President Kim Il-song on holding a summit. Kim Yong-sam accepted the proposal without hesitation.

Yi Yong-dok chaired a high-level strategic meeting of the ROK Government this morning. The meeting decided to make the proposal on the South-North representatives' contact.

Yi Yong-dok said in the faxed message: "I was authorized to let you know that we agree to your (DPRK) proposal as it is correct considering the wish of the nation, and the inward and outward situation on the Korean Peninsula."

The message urges the DPRK to make a "positive response" to the ROK proposal on the representatives' contact.

Southeast Asia & Pacific

ASEAN Parliamentary Group Visits Inner Mongolia

SK2206025594 Hohhot NEIMENGGU RIBAO in Chinese 12 Jun 94 p 1

[By Reporter Wang Rantong (3769 3544 1749): "Delegation Made Up of Parliamentary Organizations of ASEAN Countries Concludes Friendly Visits to Inner Mongolia"]

[Text] The delegation made up of the parliamentary organizations of the various countries of the Association of Southeast Asian Nations [ASEAN] successfully concluded its two-day friendly visit to Inner Mongolia and left Hohhot by plane on the morning of 11 June, bringing with it the achievements in further strengthening the friendly relations and economic and cultural exchanges and cooperation between the various ASEAN countries and Inner Mongolia.

The 25-member delegation headed by Jose de Venecia, speaker of the Congress of the Philippines, came to visit China at the invitation of the National People's Congress [NPC] Standing Committee. It arrived in Hohhot on the evening of 8 June, greeted by regional leaders and people of various nationalities.

Accompanied by Zhu Liang, member of the NPC Standing Committee and chairman of the NPC Foreign Affairs Committee, and Yu Xinglong, vice chairman of the NPC

Nationalities Committee and vice chairman of the Inner Mongolia Autonomous Regional People's Congress Standing Committee, the delegation went to the pastoral areas of Siziwang Banner by car on the morning of 9 June. It was warmly received by local party and government leaders and the masses of various nationalities. In the Gegentala grassland, the delegation watched with great interest contests of the Mongolian nationality's traditional sports, such as wrestling, archery, and horse race, and happily visited herdsman households. That evening, herdsman held a campfire with nationality and local characteristics to welcome the guests from afar. The hosts and guests sang and danced together to spend a happy and unforgettable evening in the grassland.

Chaired by Yu Xinglong, vice chairman of the autonomous regional people's congress standing committee, a briefing was held at the Baotou Hall of the auditorium of the autonomous regional government on the afternoon of 10 June for Lin Yongsan, vice chairman of the autonomous regional government, to introduce Inner Mongolia's economic and social development to the delegation.

At 1800 that day, Wang Qun, Wu Liji, Qian Fenyong, Yu Xinglong, Lin Yongsan, and Xu Bainian warmly met with the delegation at the Jirem League Hall of the auditorium of the autonomous regional government and held cordial talks with it. Zhu Liang, member of the NPC Standing Committee and chairman of the NPC Foreign Affairs Committee, was present at the meeting.

Wang Qun introduced the delegation the economic and social development of China and, in particular, Inner Mongolia. He said: With a vast territory and abundant resources, Inner Mongolia has great potential for exploitation and very bright prospects. We welcome the various ASEAN countries to invest in Inner Mongolia's enterprises and other developmental undertakings and to further strengthen the friendly relations and economic and cultural exchanges and cooperation with the region.

Jose de Venecia, leader of the delegation, first thanked the regional party and government leaders and the masses for their warm and friendly reception. He said: Our delegation is from five countries of southeast Asia, representing 250 million southeast Asian people. After returning to our countries, we will tell our countries and peoples that Inner Mongolia Autonomous Region is speeding up construction and development in all fields. We will also sincerely conduct cooperation and exchanges with Inner Mongolia in economic, cultural, and other fields.

That evening, Wang Qun, Wu Liji, Qian Fenyong, Yu Xinglong, Lin Yongsan, Yang Zizhen, and Xu Bainian hosted a banquet in honor of the delegation at Xincheng Hotel. Wang Qun and Jose de Venecia gave speeches, pledging concerted efforts to strengthen the cooperation between Inner Mongolia and the various ASEAN countries.

Yu Xinglong, Lin Yongsan, and Yang Zizhen warmly sent the delegation off at the airport on the morning of 11 June.

Burmese Writers Delegation To Visit Beijing

OW2206095194 Beijing XINHUA in English 0919
GMT 22 Jun 94

[Text] Yangon [Rangoon], June 22 (XINHUA)—A Myanmar [Burma] writer delegation led by U Saw Myint, general manager of Books Publishing Enterprise of Myanmar, left here today to pay a two-week good will visit to China.

The five members of the delegation including journalists will visit Beijing, Shanghai, Guangzhou and Kunming.

The delegation was seen off at Yangon airport by Myanmar Deputy Minister for Information Thein Sein and other Myanmar officials.

A Chinese writer delegation paid a friendly visit to Myanmar in December 1993.

General Li Jiulong Leads Delegation To Burma, Laos

Departs for Burma, Laos

OW2206095794 Beijing XINHUA in English 0912
GMT 22 Jun 94

[Text] Beijing, June 22 (XINHUA)—A friendship delegation from the People's Liberation Army (PLA) led by Commander of the Chengdu Military Area Command General Li Jiulong left Kunming city today for Myanmar [Burma] and Laos on a goodwill visit at the invitation of the Myanmar Ministry of Defence and the Lao Ministry of National Defence.

Arrives in Burma

OW2206085094 Beijing XINHUA in English 0825
GMT 22 Jun 94

[Text] Yangon, [Rangoon] June 22 (XINHUA)—A Chinese military delegation, led by General Li Jiulong, commander of the Chengdu Military Region of the People's Liberation Army, arrived here today to begin one-week friendly visit to Myanmar [Burma].

The delegation was met by Myanmar Chief of Staff (Army) and Commander of No. 1 Bureau of Special Operations Lieutenant-General, Tin Oo and other high officers, Chinese Ambassador to Myanmar Liang Feng and Chinese military attache Senior Colonel Wu Huachang at Yangon airport.

At the invitation of the Myanmar Ministry of Defense, the Chinese delegation came to Myanmar for a friendly visit.

Chinese Leaders Meet With Philippine's Estrada

Li Peng Discusses Ties

OW2106131194 Beijing XINHUA in English 1243
GMT 21 Jun 94

[Text] Beijing, June 21 (XINHUA)—Chinese Premier Li Peng said here today that China wishes to further its

friendly ties and cooperation with all ASEAN countries on the basis of the five principles of peaceful co-existence.

He was speaking at a meeting with visiting Philippine Vice-President Joseph Estrada here this afternoon.

Li noted the smooth growth of bilateral exchanges and cooperation in every field since the two countries established diplomatic relations 19 years ago.

Estrada handed Li a letter from President Fidel V. Ramos, which expressed his country's sincere aspirations for expanding relations with China.

Ramos also reaffirmed in the letter that the Philippine Government fully supports the resumption of China's status as a contracting party in the General Agreement on Tariffs and Trade so as to enable it to become one of the founders of the World Trade Organization.

Estrada repeated the Philippine Government's "One-China" stand and, on behalf of his government, expressed its concern for the flood-stricken provinces in south China.

Li expressed appreciation for the Philippines' "One-China" stand. He described Ramos' visit to China last year as successful and asked Estrada to convey President Jiang Zemin's and his greetings to Ramos.

Meets With Qiao Shi

OW2106131394 Beijing XINHUA in English 1244
GMT 21 Jun 94

[Text] Beijing, June 21 (XINHUA)—Qiao Shi, chairman of China's National People's Congress (NPC) Standing Committee, met here today with visiting Philippine Vice-President Joseph Estrada, at the Great Hall of the People.

The NPC and the Philippine Parliament have maintained close contacts and cooperation, which are playing a positive role in promoting bilateral relations, he told the visitor.

Reviewing his own visit to the Philippines last year, Qiao praised the Philippines as a rich and beautiful country as well as a friendly good neighbor of China.

Qiao expressed the hope that Estrada will tour more parts of China so as to understand the country better. "It will help increase mutual understanding and promote cooperation," Qiao said.

Estrada and his party will leave here tomorrow to visit Shanghai and Guangzhou.

Meets With Li Ruihuan

OW2106130694 Beijing XINHUA in English 1245
GMT 21 Jun 94

[Text] Beijing, June 21 (XINHUA)—Li Ruihuan, chairman of the National Committee of the Chinese People's Political Consultative Conference (CPPCC), said today that Sino-Philippine links had enjoyed rapid growth since the establishment of diplomatic relations.

He told Philippine Vice-President Joseph Estrada during their meeting here this afternoon that economic, trade and cultural cooperation between the two countries was satisfactory.

Since both countries were committed to economic development to improve people's lives, it would benefit them to increase exchanges and further improve understanding.

He also briefed the guest on the work of the CPPCC, which he said would like to have exchanges and cooperation with relevant parties in the Philippines to push forward the Sino-Philippine links.

Estrada spoke highly of China's opening-to-the-world drive and great economic achievements.

He stressed that his current visit was to enhance understanding and further bilateral relations.

XINHUA Interviews Philippine Vice President

OW2206092594 Beijing XINHUA in English 0903
GMT 22 Jun 94

[Text] Beijing, June 22 (XINHUA)—The Philippine Government and people wish to see China "playing a positive role in political, economic and security matters in the Asia-Pacific region as a stabilizing influence in the maintenance of peace and tranquility."

This was stated by visiting Philippine Vice President Joseph Estrada in an exclusive interview with XINHUA before he left here for Shanghai today.

China's rapid economic development in recent years has been astonishing to the extent that the country is making efforts to cut its growth rate while other countries are seeking higher growth rates, Estrada said.

He noted that the Philippine Government would like to see a stronger China in the region.

The Philippine Government does not have any fears about a stronger China and "sees no threat from China," Estrada said, adding "maybe some western countries do." but as for the Philippines and other Asian countries, they want all their neighbors to become stronger.

Sitting comfortably beside a dinner table in a villa of the Diaoyutai state guesthouse where the vice-president stayed during his visit to Beijing, he talked softly with occasional rises in his voice for emphasis, seemingly with a clear-cut rhythm, fully demonstrating his conversational skills as an eminent film star.

Before assuming his current post in 1992, the vice-president had been a popular actor in the Philippines, staging more than 100 films in his 25-year career and starring in many of them.

He described his current visit to China, his first China tour, as "quite a success", having met Chinese Vice-President Rong Yiren, Premier Li Peng, the National People's Congress Standing Committee Chairman Qiao Shi and many other senior officials. What satisfied him most was the signing of a trade protocol between the two

governments which is expected to help further boost the vibrant trade to an annual volume of 400 million U.S. dollars and enhance economic cooperation between the two countries. His coming to China is itself an indication of the Philippine Government's high regard for China, he stressed.

The exchanges of visits by senior officials of the two countries over the past few years have helped strengthen the healthy bilateral relations, especially in the fields of economic cooperation, science and technology and culture. China, already a "very important player in international affairs," is naturally encouraged to assume "an active role in economic and security regional discussions," such as the Asia-Pacific Economic Conference and the ASEAN regional forum, the vice-president stated.

My Father Deng Xiaoping Published in Thai

OW2206091694 Beijing XINHUA in English 0853
GMT 22 Jun 94

[Text] Bangkok, June 22 (XINHUA)—A Thai version of Deng Xiaoping biography written by his daughter, Deng Rong, has been published in Thailand.

The book, *My Father Deng Xiaoping* tells about the life and struggle of the great man and great events and changes of China since early this century.

Published by the Managers' Daily, the Thai version of the book will provide a good channel for Thai-speaking readers to get to know more about Deng Xiaoping and contemporary China.

Li Tieying Attends New Zealand Parliamentary Session

OW2106111594 Beijing XINHUA in English 1102
GMT 21 Jun 94

[Text] Wellington, June 21 (XINHUA)—The visiting Chinese State Councilor Li Tieying attended the beginning of a session of the New Zealand House of Representatives here this afternoon.

Upon his arrival at the house, he was greeted by Speaker Peter Tapsell, Leader of the House Don McKinnon and leaders of the opposition parties. He was welcomed by all the parliament members attending the session.

Earlier today, Li called on New Zealand Social Welfare Minister Peter Gresham, Finance Minister Bill Birch and other government officials.

Li was the guest of honor at a luncheon hosted by Birch. Among the high-ranking New Zealand officials present on the occasion were Labor Minister Doug Kidd, Health Minister Jenny Shipley, Science and Technology Minister Simon Upton and Justice Minister Douglas Graham.

Li Tieying Discusses Economy With New Zealand Premier

*OW2106113994 Beijing XINHUA in English 1132
GMT 21 Jun 94*

[Text] Wellington, June 21 (XINHUA)—New Zealand Prime Minister Jim Bolger said today he is very much impressed by the fast economic growth achieved by China.

When meeting the visiting Chinese State Councillor Li Tieying, Bolger also said that he is concerned over the overheating in the Chinese economy.

Li Tieying, who is also minister of the State Commission for Restructuring the Economic Systems of China [name of organization as received], briefed Bolger on the current situation in China, particularly its economic reform and development.

He said that the Chinese Government will deepen reforms in the macro and micro economic fields, vigorously promote agricultural production, stabilize the economy and combat inflation.

He believed that there are bright prospects for the economic cooperation and trade between China and New Zealand.

Vice Premier Li Lanqing Meets New Zealand Minister

*OW2206091394 Beijing XINHUA in English 0841
GMT 22 Jun 94*

[Text] Beijing, June 22 (XINHUA)—Vice-Premier Li Lanqing met with New Zealand Minister of Trade Negotiations Philip Burdon and his trade party today, exchanging views with them on how to strengthen economic cooperation between the two countries.

Before the meeting, Minister of Foreign Trade and Economic Cooperation Wu Yi had talks with the New Zealand minister. Both expressed satisfaction with the smooth development of the Sino-New Zealand economic ties, the increasing mutual investment in particular.

Political & Social**Li Peng, Zhu Rongji Call Hunan Officials About Floods****Express Sympathy, Concern**

HK2206133594 Changsha Hunan People's Radio Network in Mandarin 2300 GMT 20 Jun 94

[Text] The CPC Central Committee and the State Council are very concerned about Hunan's flood situation. On 19 June, State Council Premier Li Peng telephoned Hunan, inquiring about the flood situation.

At 10:30 on the morning of 20 June, State Council Vice Premier Zhu Rongji also made a phone call to Sutouyuan in Changsha County, Hunan Province, to inquire about the flood situation there and express his sympathy and concern for the cadres, masses, and officers and soldiers fighting hard on the province's flood resistance front lines.

While on the phone with Vice Premier Zhu Rongji, Provincial Governor Chen Bangzhu described Hunan's flood situation as well as the Hunan people's determination in combating the flood disaster. Vice Premier Zhu Rongji also had separate talks by phone with the comrades in charge of the Changsha City CPC Committee, the Changsha County CPC Committee, and the Hunan Provincial Armed Police Corps.

On behalf of all officers and soldiers fighting the flood disaster on the province's front lines, Liu Shixing, deputy commander of the Hunan Provincial Armed Police Corps, expressed his thanks to the CPC Central Committee and the State Council for their concern for Hunan's flood situation. Liu also vowed to fight against the flood disaster to the very end and protect each and every dam in the province. Vice Premier Zhu Rongji replied: I have full confidence in all of you!

Further on Phone Call

OW2206083694 Beijing XINHUA Domestic Service in Chinese 1418 GMT 20 Jun 94

[By reporter Shi Tao (4258 3447)]

[Text] Changsha, 20 Jun (XINHUA)—On behalf of the Party Central Committee and State Council, Vice Premier Zhu Rongji telephoned Hunan Governor Chen Bangzhu at 1050 AM today. Over the phone, Zhu Rongji expressed his cordial sympathy and solicitude for the people in Hunan's flooded areas, and extended his regards to all the army men and people working on the forefront of combating the floods. He called on the whole province from top to bottom to have full confidence, work hard in unity to combat the floods, and to achieve new success in combating floods and providing relief.

While Hunan Governor Chen Bangzhu was directing work on a dike along a river in Changsha, he received Vice Premier Zhu Rongji's call on a cellular phone, and immediately conveyed Zhu's message to the army men and people working and dealing with flood emergencies there.

Chen Bangzhu briefed Vice Premier Zhu on the flood damage and grim situation in the province. On behalf of the 5 million army men and people combating floods in the province, he pledged to do all he can to win a final victory in combating floods and dealing with emergencies.

Wen Jiabao Arrives in Hunan

OW2206104994 Beijing XINHUA Domestic Service in Chinese 1606 GMT 21 Jun 94

[By reporter Shi Tao (4258 3447)]

[Text] Changsha, 21 Jun (XINHUA)—Wen Jiabao, alternate member of the CPC Central Committee's Political Bureau and member of the Secretariat, and a central work group led by him arrived in Changsha today to provide guidelines for Hunan's flood fighting and relief work.

Accompanied by Wang Maolin and Chen Bangzhu, secretary of the Hunan Provincial CPC Committee and Hunan provincial governor respectively, and braving the rain, Wen Jiabao inspected the dangerous sections of Changsha's Xiang Jiang river dikes and flooded areas. On behalf of the CPC Central Committee and State Council, he extended his regards to the people in flooded areas, and to cadres, the masses, People's Liberation Army officers and men, and armed police officers and men working on the forefront of flood fighting. In the evening, the central work group and Hunan Provincial CPC Committee and Government studied and laid down a plan for the next-step in flood-fighting work.

Qian Qichen Guides Flood Battle

HK2206143994 Guangzhou Guangdong People's Radio Network in Mandarin 0400 GMT 22 Jun 94

[Text] Accompanied by provincial leaders [Deputy Secretary] Zhang Guoying and [Vice Governor] Liu Weiming, Qian Qichen, member of the Political Bureau of the CPC Central Committee, vice premier of the State Council and concurrently foreign affairs minister, arrived at the Bei Jiang dike this morning to express sympathy and concern on behalf of the party Central Committee and the State Council for the Army personnel and civilians fighting on the front lines of the flood fighting and relief work effort as well as to direct this work.

Vice Governor Ou Guangyuan, general director of the Bei Jiang Dike Front Line Flood Control Headquarters, briefed Qian Qichen on the rescue work at the Dachang section of the Bei Jiang dike. On 18 June the flood waters ran high and swelled perilously at the Dachang section. If the precarious situation had not been handled promptly, the dike could have collapsed. Once the perilous swelling occurred, Army personnel and local civilians rushed to rescue the dike and in the end averted the potential disaster.

Qian Qichen conveyed the regards of the party Central Committee and the State Council to the hundreds of officers and men who were carrying out relief tasks at the Bei Jiang dike, highly appraised their performances in fighting floods and doing relief work, and urged them to

make persistent efforts, heighten their vigilance, and strive for overall victories in the struggle against the flooding at the Bei Jiang dike.

Construction Minister Heads State Council Team

HK2206114994 Hong Kong WEN WEI PO in Chinese
21 Jun 94 p A2

[Report: "State Council's Work Group Arrives in Guangdong To Guide Anti-Flood Work Along the Bei Jiang"]

[Text] Guangzhou, 20 Jun (WEN WEI PO)—The joint work group sent by the State Council and led by Hou Jie, minister of construction, and He Jing, vice minister of water resources, arrived in Guangzhou yesterday. They went to the areas that are heavily guarded against the flood—the Zhaoqing area along the Xi Jiang and the large dam on the Bei Jiang, to give guidance and make arrangements for the work to combat the floods and deal with emergencies. The group feels that, so far, the work of preventing floods and providing relief to disaster-hit areas has been successful in Guangdong.

The group inspected the condition of the disaster in the flood-prevention areas of Yunan County and Fengkai County along the Xi Jiang in Zhaoqing and called for the local government to try every possible means to help more than 50,000 people besieged by the floods get through their difficulties.

The group praised the people in Daqiaowei, Deqing County, for their meritorious deeds in combating the floods, as more than 10,000 local cadres and masses struggled for three days and nights to build an embankment of sand bags one meter high and seven km long to rein in the flood water overflow and secure the lives and properties of some 100,000 people in five townships and towns. The group also carefully inspected Fengle County in Dinghu District of Zhaoqing, which is a "difficult place to fortify against the flood."

Yesterday, the group hurriedly left Zhaoqing for Lubao Town, the front-line flood control command post of the Bei Jiang Dam, to inspect the three dangerous sections in Xialingzhou.

'Several Million' Fight Floods

OW2106155894 Beijing XINHUA in English 1526
GMT 21 Jun 94

[Text] Beijing, June 21 (XINHUA)—Several million local people and soldiers of the People's Liberation Army (PLA) are fighting the floods that have been hitting the provinces of Guangdong, Hunan and Jiangxi, and the Guangxi Zhuang autonomous region in southern China since mid-June.

On the evening of June 19, a flood peak of the Beijiang River, the highest water level in the past 50 years, struck the Shijiao-Xialingzhou section of the dyke, causing seepage along a three to four-km section.

At the critical moment, several thousand local people and PLA soldiers rushed to the site with sand-bags and other material to reinforce the dyke. By 4:00 in the early morning of June 20, the flood peak passed the Sanshui hydrometric station safely and Guangzhou city and the Pearl River Delta survived.

In Duan, Luocheng and two other cities of Guangxi, which were most seriously hit by the floods, the regional governor, Cheng Kejie, went to the flood-stricken counties to make arrangements for air-dropping relief supplies to over 6,000 people besieged by the waters.

Hunan provincial leaders also went to the flood-hit area and led about two million local people to fight the flood together with 3,000 PLA soldiers. The flood peak of the Xiangjiang River has now passed Changsha city, capital of Hunan Province.

But some of Changsha's urban and suburban areas are still immersed in water.

In Jiangxi Province, more than three million local people and 120,000 PLA soldiers have spared no efforts to fight the floods. So far, over two million straw bags, 137,000 cubic meters of sand and aggregate, 292 lifeboats and 1,461 automobiles have been used in the battle against the floods.

According to the State Flood Control and Drought Relief Headquarters, the water levels of the four major flood rivers—the Xijiang, Beijiang, Xiangjiang and Ganjiang—have all started to drop slowly, but are still above their warning levels.

Since the flood peaks of the Xijiang and Beijiang will affect the Pearl River Delta simultaneously, the delta, one of China's most economically developed areas, is still facing heavy pressure from the floods.

Some PLA soldiers have been transferred from Guangxi to Guangdong to help the people there to fight the floods.

Water Level 'Dropping Slowly'

OW2106144594 Beijing XINHUA Domestic Service in Chinese 1020 GMT 21 Jun 94

[Text] Beijing, 21 Jun (XINHUA)—According to the State Flood Control and Drought Relief Headquarters, after the largest or the second largest flood peaks since the liberation of China occurred a few days ago in the Xi Jiang, Bei Jiang, Xiang Jiang, and Gan Jiang rivers, water levels in these rivers are dropping slowly; however, high water levels will remain in these rivers for the next few days. Due to interaction of the Bei Jiang and Xi Jiang, the Zhujiang Delta will face a high water-level test.

Heavy rainfall over a wide area since mid-June resulted in the largest flood waters since liberation of the country in the Xi Jiang, Bei Jiang, and Xiang Jiang rivers. The flood water in Guangdong's Xi Jiang crested in Gaoyao County on 20 June; the water level in Gaoyao's Xi Jiang dropped to 13.37 meters at 0600 today. A flood peak occurred in Bei Jiang in Guangdong's Sanshui at 0400 on 20 June, raising

the water level to 10.39 meters—the largest flood level ever recorded. The water level dropped to 10.16 meters at 0600 today.

Drops in water levels in Guangdong's Bei Jiang and Xi Jiang do not mean that Guangdong's flooding situations have eased, because flood waters in the Xi Jiang and Bei Jiang will remain at high levels for quite long a period and will enter the sea after the two flood waters jointly flow through the low-lying Zhujiang Delta. In particular, the sea tide may add to the flood waters on 25 June. With these factors combined, the Zhujiang Delta, which has a developed economy and a forest of factories, will face the most rigorous flood water test since the liberation of the country.

The situation in the Xiang Jiang is also not an easy one. The flood peak passed Changsha on 19 June, but the water level at the Changsha Station was still at 25 meters at 0200 today [1800 GMT 20 June]. Because the water level has remained high for a long period, several dangerous situations have occurred along the river's dikes. Dike reinforcing work needs to be stepped up.

The flood peak in Gan Jiang entered Boyang Lake on 20 June. However, due to continued rains over the last few days, the water level in the upper reaches west of Ganzhou has begun to rise again. At 0800 today, the water level at the Ganzhou Station was 100.95 meters, 3.45 meters above the warning level.

Death Toll Reportedly Rises to 719

HK2206090894 Hong Kong AFP in English 0842 GMT 22 Jun 94

[Text] Beijing, June 22 (AFP)—The death toll from flooding in southern and eastern China in the past two weeks rose to 719 Wednesday, with another 14,400 people injured, the ministry of civil affairs said.

The ministry said in a statement more than 61.3 million people had been affected by the flooding in six provinces as of Wednesday, with 585,600 houses destroyed and 1.98 million damaged.

Some 3.2 million hectares (7.9 million acres) of farmland are under water, the ministry said, putting total direct economic losses at a massive 30.54 billion yuan (3.51 billion dollars).

Worst hit, according to ministry figures, is central Hunan province, where 190 people have been killed in the flooding and 7,791 have been injured.

In southern Guangdong, 174 people dead are dead, 3,094 injured and 65 missing, the statement said, although local officials earlier Wednesday put the province's death toll at 215.

Some 141 have perished in southwestern Guangxi, 80 in eastern Fujian and 68 in eastern Zhejiang, the statement said.

The ministry said it had so far provided six million yuan of relief aid, divided equally between Guangdong, Guangxi and Hunan.

Hunan, Guangxi Send Aid

OW2206095094 Beijing XINHUA in English 0921 GMT 22 Jun 94

[Text] Beijing, June 22 (XINHUA)—The governments of Hunan Province and the Guangxi Zhuang Autonomous Region have taken necessary measures to aid people in flood-stricken areas in reconstruction of homes and resumption of production.

The Hunan Provincial Government has allocated 15.2 million yuan in relief funds to areas flooded by the Xiangjiang river.

Hunan also provided a relief loan of 150 million yuan and indemnity of 50 million yuan to flood victims.

To help the people to resume farm production, the province allocated 11,000 tons of diesel and 16,000 tons of chemical fertilizer to the areas.

In Guangxi, the Nanning city government transported four tons of biscuits and two tons of drinks to Guiping county, one of the most severely-hit counties in the region.

The officials of the regional government took the lead in making donations to the flood-stricken areas.

The Guangxi regional department of civil affairs has received donated funds of 800,000 yuan, more than 300,000 pieces of clothes and two tons of foodstuffs from people of all walks of life.

Chen Ching-chi, a noted Hong Kong figure, donated 200,000 HK dollars for the flood victims in Guangxi.

Qian Qichen in Shenzhen, Comments on Hong Kong

OW2206083594 Beijing Central Television Program One Network in Mandarin 1100 GMT 20 Jun 94

[Announcer-read report over video; from the "National News Hookup" program]

[Text] During his inspection of Shenzhen on 18 June, Qian Qichen, member of the CPC Central Committee Political Bureau, vice premier of the State Council, and Chinese foreign minister, said: Hong Kong will be returned to the motherland in 1997. The Chinese Government will firmly implement the agreements and understandings reached between China and Britain. We have the determination and ability to preserve Hong Kong's prosperity and stability.

Qian Qichen fully affirmed Shenzhen's achievements in carrying out the policy of reform and opening up, and gave high marks to the city's development speed, results of opening, and spirit of enacting reform. He said: Shenzhen's development speed and reform measures are very valuable. Social atmosphere also is a part of the investment climate; following economic development, the building of

spiritual civilization should become an important part of our future reform. He particularly stressed that the proper development of Shenzhen has great significance for Hong Kong's return to the motherland in 1997. [video shows Qian Qichen speaking at a meeting attended by dozens of people, visiting factories in the company of local officials]

Labor Activists, Peace Charter Signatories Disappear

HK2206070294 Hong Kong LIEN HO PAO in Chinese
22 Jun 94 p 11

[By Tseng Hui-yen (2582 1979 3601)]: "Liu Nianchun and Zhang Ling From the League for Guaranteeing Laborers' Rights Disappear One After Another"]

[Text] Liu Nianchun, instigator of the "League for Guaranteeing Laborers' Rights" [LGLR] in Mainland China and convener of the Peace Charter, has disappeared from Jiangsu since 28 May. His brother Liu Qing, who is chairman of "China Human Rights" in New York, is 99 percent sure he has been arrested by the mainland authorities. Zhang Ling, another member of the LGLR in Anhui, has also been taken away by security personnel. Liu Qing is worried that a new round of dissident arrests has started in Beijing.

On 9 March this year, Liu Nianchun, Yuan Hongbing, and Wang Zhongqiu officially applied to the authorities for the establishment of the LGLR. The application was handed in by Liu Nianchun to the Ministry of Civil Administration. As this was a pioneering undertaking on the mainland, indicating that the mainland's democracy movement had become more open, organized, and legalized, it attracted attention from the international media. The organization has a preparatory committee with more than 120 members nationwide, but because of their worries about large-scale arrests by the mainland authorities, their names have not been made public for the time being. Instead, Liu Nianchun and the other two shouldered the responsibility and appeared in public.

Of the three men, Yuan Hongbin, a lecturer in the Law Faculty of Beijing University, was first arrested by the mainland authorities on 2 April. Another organizer, Wang Zhongqiu, was also arrested on 1 June. Wang Jiaqi, a postgraduate at the Law Faculty of Beijing University and another key member of the LGLR who was arrested together with Yuan Hongbin, escaped while being escorted from Beijing to Hebei's Tangshan Prison. With the assistance of underground pro-democracy organizations, he successfully arrived in Hong Kong on 15 April, gained U.S. political asylum, and went to New York via London.

Liu Qing pointed out that Liu Nianchun had actually intended to leave for Jiangsu and lie low on the eve of the 4 June incident. His wife, who is in Beijing, last received a phone call from him on 26 May, and he said he would return to Beijing the following week. Liu Nianchun and one of his friends both disappeared on 28 May after they had a telephone conversation. Wang Zhongqiu also disappeared at the same time and his arrest was later confirmed.

Family Planning Minister Peng Peiyun Inspects Fujian

HK2206144694 Fuzhou Fujian People's Radio Network
in Mandarin 2300 GMT 16 Jun 94

[Excerpts] Peng Peiyun, state councillor and minister of the State Family Planning Commission, concluded her sixth inspection tour of Fujian and left Fuzhou last evening. During her stay, she held extensive discussions with leaders of the departments concerned, listened to reports on Fujian's economic development plan, family planning, health, and women work, and affirmed the achievements scored in these fields. At the same time, she set new demands.

Peng Peiyun emphatically pointed out: Family planning work is an arduous and long-term task, which should be carried out in a conscientious, sustained, and down-to-earth way. We should continue to do a good job of rural health work, conduct better investigations and study, combine the "double learn from and double emulation" activities with the work of the grass-roots units, and turn the implementation of the outline of the program for the Chinese children of the 1990's into government behavior. She said: Fujian is one of the provinces that has done the work of the grass-roots units well. It has had a successful experience in stabilizing policies, laying a solid foundation for the work of the grass-roots units, and managing the floating population and the population of foreign-invested enterprises. [passage omitted]

Peng Peiyun urged combining the "double learn from and double emulation" activities with family planning work; combining production, livelihood, and child bearing; decreasing the number of births and [words indistinct]; and making family planning voluntary on the part of the women involved. [passage omitted]

Government Intensifies Crackdown on Drug Trafficking

OW2206132894 Beijing XINHUA in English 1305
GMT 22 Jun 94

[Text] Beijing, June 22 (XINHUA)—China cracked more than 4,900 narcotics-related criminal cases in the first quarter this year, seizing some 1,000 kilograms of heroin and 476 kilograms of opium.

This was revealed by Bai Jingfu, vice-minister of public security, here today at a working conference of the National Commission of Narcotics Control (NCNC).

"Narcotics-related crimes, especially transnational drug smuggling, were effectively curbed in the country as police and customs officers joined efforts to combat them," Bai told the conference.

China's anti-drug campaign has been centered on the Guangxi Zhuang Autonomous Region and Yunnan Province, both bordering the "Golden Triangle" in Myanmar [Burma] which are ravaged the most by deadly crimes as smugglers choose to transport narcotics through these areas to other parts of the world.

The border provinces accounted for 82 percent of the heroin and 70 percent of the opium seized in the country in the first three months this year, said the vice-minister, who is also deputy director of the NCNC.

Bai said China's cooperation with the international community in its fight against drug crimes has been "effective."

The narcotics control program of China, Myanmar and the UN is "being carried out smoothly," he said, adding that China's cooperation with Thailand and Laos in this field has also been strengthened.

Meanwhile, Bai noted that China has also made remarkable achievements in drug rehabilitation programs.

"The rising trend of new addicts has been slowed and the country has begun to see an annual decrease in the new addict population," he said.

Some 50,000 of the country's drug addicts received training courses to quit drugs in 1993, he said.

Minister of Public Security and NCNC Director Tao Siju also told the conference that China will continue its cooperation with the international community, especially bordering countries, in combating drug-related crime.

"With rampant international narcotics crimes, China still faces a harsh challenge from traffickers and it will continue to intensify the crackdown on these crimes with cooperation from its customs, and organizations in other countries and regions, so as to reduce the impact of drug trafficking to the minimum," Tao said.

Henan State-Owned Land Rights Sale Regulations

HK2106145394 Zhengzhou HENAN RIBAO in Chinese 27 May 94 p 7

["Henan Provincial Regulations on Selling and Transferring State-Owned Land Use Rights in Cities and Towns (Ratified by the Seventh Session of the Eighth Henan Provincial People's Congress Standing Committee on 28 April 1994)"]

[Text] Notice of the Standing Committee of the Henan Provincial People's Congress (No. 14):

The Henan Provincial Regulations on Selling and Transferring State-Owned Land Use Rights in Cities and Towns were ratified by the Seventh Session of the Eighth Henan Provincial People's Congress Standing Committee on 28 April 1994. These regulations are now promulgated and come into effect on the date of promulgation.

28 April 1994

Chapter 1: General Regulations

Article 1: In accordance with the PRC Land Management Law and the PRC Provisional Regulations on Selling and Transferring State-Owned Land Use Rights in Cities and

Towns (hereinafter shortened to the "Provisional Regulations"), our province has formulated these regulations in light of our specific conditions.

The state-owned land covered by these regulations refers to publicly owned land in cities, county seats, townships, factory areas, and mining areas.

Article 2: These regulations apply to the sale, transference, leasing, mortgaging, and termination of state-owned land use rights in cities and towns under the Henan Provincial administrative division (hereinafter shortened to land use rights).

Article 3: Land users who obtain land use rights in accordance with the "Provisional Regulations" and these regulations may transfer, lease, or mortgage their land use rights within the prescribed period of use; and their legitimate rights and interests are protected by law.

In developing, using, and operating land, land users must abide by law and regulations and must not harm social or public interests.

Article 4: With the exception of the land listed below, which must be approved by the people's government at the county level or above, land use rights for other types of land can be obtained by sale or transference:

1. Land for state institutions, offices, housing for public use, and residential construction.
2. Military land.
3. Land for urban infrastructural construction, public facilities construction, and welfare purposes.
4. Land for construction allocated in accordance with state regulations.

Article 5: The people's government at the county level or above is the property rights representative of state-owned land in the relevant administrative division. The people's government's land management department at the same level is in charge of the transference and termination of land use rights and exercises supervision and examination over the sale, transference, leasing, mortgaging, or termination of land use rights.

Procedures of transference, leasing, or mortgaging of land use rights as well as of the buildings and appendages on the land must go through a real estate exchange management department. If proprietorship changes, the relevant person must present the documents to the people's government at the county level or above and to the real estate management department for a change in proprietorship registration.

The relevant departments must coordinate with each other in handling the procedures and the change in proprietorship registration; they must complete the procedures within 10 days after receipt of the application.

Article 7: Before selling, transferring, mortgaging, or making a price compensation for land use rights as well as

for the buildings and appendages on the land, an assessment organization with the necessary intermediary service qualifications must be invited to make a price appraisal.

Chapter 2: Selling Land Use Rights

Article 8: Selling land use rights means that the state, as the landowner, sells its land use rights to a land user for the prescribed period of use, and the land user pays the land price to the state.

Article 9: According to law, the state practices a system of selling state-owned land use rights for a limited period.

Use rights of the land listed below may be sold:

1. State-owned land in cities and towns;
2. Collective-owned land requisitioned according to law;
3. State-owned land whose use rights have been recovered by the people's government at the county level or above.

Article 10: Sales of land use rights must conform with the overall plan for the use of land, urban planning, and the annual plan on use of land for construction.

The people's government at the county level or above is in charge of sales of land use rights.

The land management department of the people's government at the county level or above must work out a land sales plan together with the relevant departments, and this plan must be submitted according to the relevant regulations for approval.

Article 11: The plan on selling land use rights must be formulated by the land management department of the people's government at the county level or above, with the cooperation of the urban planning department, construction department, real estate management department, price department, and financial department; after this plan is approved, the land management department will be in charge of implementing it.

Once ratified, no unit or individual is allowed to change the plan. If an amendment is really necessary, the relevant departments must discuss it and submit the amended plan to the original ratification department for approval.

Article 12: Before selling land use rights, the land management department of the people's government at the county level or above, together with the relevant departments, must provide the user with the following information:

1. The location, acreage, and a map of the land as well as its surface and underground conditions and its basic facilities;
2. The use of the land, buildings density, capacity, and net space limits;
3. Environmental protection, afforestation, communications, and antiseismic structure;
4. Length and method of possession;

5. Other information connected with sales of land use rights.

Article 13: The power to approve the sales of land use rights will be exercised according to the state and provincial regulations on approving land requisitioned for state construction projects.

Article 14: The land management department (hereinafter shortened to the seller) and the land user must sign a sales contract on the basis of equality, voluntariness, and compensation according to the contract standards set by the state.

Article 15: The maximum length of possession of land use rights is defined as follows in accordance with the purpose of their use:

1. Seventy years for residential purposes;
2. Fifty years for industrial, scientific, technological, cultural, health, and sports facilities;
3. Forty years for commercial, tourist, and recreational facilities;
4. Fifty years for comprehensive and other purposes.

Article 16: The basic prices of land must be set and regularly announced by the relevant department of the people's government at the county level or above.

Article 17: Land use rights may be sold by means of agreement, inviting tenders, or auction. Land use rights for commercial and tourist purposes or for commodity apartments must be sold through inviting tenders or auction. If this auction method is not applicable to the sale of use rights of other types of land, the method of agreement can be adopted, but the sale price of the land use rights must not be lower than the basic price locally announced.

Article 18: The procedures for selling land use rights by means of agreement:

1. The buyer must apply to the seller by producing the project approval document, a legal person's credentials or a legal representative certificate, and a certificate of the origin of the funds or a letter of guarantee.
2. In accordance with provisions of the project approval document, the buyer must submit the land development program and its drawings within 90 days after submitting the application and must discuss with the seller the amount involved and the payment method.
3. The buyer must pay a deposit according to the contract signed.
4. The buyer must, within 60 days, effect the payment, complete registration procedures, and obtain a land use certificate.

Article 19: The procedures for inviting tenders for land use rights:

1. The land management department of the people's government at the county level or above, together with the

relevant departments, must formulate the document for inviting bids; the land management department will announce a notice on inviting bids.

2. Bids must be made by payment of guaranty money (no interest), filling out a bid submission document, and participating in bid tendering.

3. The seller will issue a notice to the tender winner, who must sign a contract with the seller within the time limit prescribed by the notice and pay 10 percent of the total sales amount as a deposit. The guaranty money paid during bid submission can be used as a deposit. Those who do not win tenders will have their guaranty money returned within five days after the winner is announced.

4. The tender winner must, within 60 days, pay the purchase amount, complete registration procedures, and obtain a land use certificate.

Starting a tendering process, appraising it, and deciding the winner must have the participation of public notary office personnel.

Article 20: The procedures for auctioning land use rights:

1. The land management department of the people's government at the county level or above, together with the relevant departments, must work out the auction document, and the land management department will announce an auction notice.

2. Bidding competitors must pay guaranty money (no interest) according to the provisions of the auction document.

3. The auction host must preside over an auction sale according to the time and location prescribed by the auction notice, and the procedures listed in the auction document; he must announce the winner on site and immediately return the guaranty money to the other competitors.

4. The winner must sign a contract with the seller according to the provisions of the auction document and pay 10 percent of the total sales amount as a deposit. The guaranty money can be used as a deposit. If the land user cannot pay the guaranty money according to the provisions of the auction document, this will be regarded as a breach of contract. The land user must, within 60 days, pay all of the purchase amount, complete registration procedures, and obtain a land use certificate.

Public notary office personnel must be invited to auction sales.

Article 21: If the land user cannot pay the total purchase amount within the prescribed payment period, the seller has the right to revoke the contract without refunding the deposit, and to demand compensation for the breach of contract. If the seller cannot offer the land use rights according to the contract, twice the deposit will be refunded and the land user has the right to revoke the contract and demand compensation for the breach of contract.

Article 22: If the land user wishes to change the use of the land prescribed by the contract, he must obtain approval from the seller, and this must be submitted to the land management department of the people's government at the county level or above and the administrative department in charge of urban planning for approval. In such cases, a new contract must be signed according to the provisions of this chapter, the sales amount for the land use rights must be adjusted, and the registration must be updated.

Chapter 3: Transferring Land Use Rights

Article 23: The transference of land use rights means that the user transfers his land use rights, including selling and exchanging land use rights, presenting land use rights to others as a gift, using land use rights to buy stocks, and one side providing land use rights and the other side providing capital for cooperative housing construction.

In transferring land use rights, a contract of transfer must be signed.

In transferring land use rights, both parties must complete the procedures for a change in ownership registration within 30 days from the date the contract is signed.

Article 24: In transferring land use rights, the user must comply with the following provisions:

1. He must pay the whole purchase amount according to the provisions of the contract to obtain land use rights;

2. He must possess a land use certificate; and if there are buildings or other appendages, he must also possess the relevant certificates of proprietorship;

3. He must develop and utilize the land according to the time limit and conditions set by the contract.

Article 25: When land use rights are transferred, the rights and duties prescribed by the contract are also transferred.

When the user obtains land use rights by means of transference, the length of use of the land is the length of use stated by the contract less the length for which it has already been used by the original user.

Article 26: When land use rights are transferred, the ownership of buildings and other appendages on the land is also transferred.

When the user transfers his ownership of buildings and appendages on the land, the land use rights within the scope of these buildings and appendages are also transferred, except when these buildings and appendages are transferred as movable property.

Article 27: When the use rights of land belonging to a group of people are transferred, written approval must be obtained from all the group members; if a member wishes to transfer his portion of the land use rights, he must provide the other members with written notice in advance, or he may separate off his portion of the land use rights first and then transfer it.

The use rights of land under a building constitute an entity and are indivisible.

When buildings and appendages are transferred in part, the proprietors after the transfer are entitled to proportionate land use rights.

Article 28: When land use rights and the buildings and appendages on the land are transferred separately, this must be approved by the land management department and real estate management department of the people's government at the county level or above; procedures for a change in ownership registration must be completed according to Section 2 of Article 6.

Article 29: When the prices of land use rights are markedly lower than local market prices, the local people's government at the county level or above has priority for purchase.

Article 30: If the value of land use rights as well as of the buildings and appendages on the land increases after transfer, value-added tax must be paid in accordance with the PRC Provisional Regulations on State-Owned Land Value-Added Tax.

Article 31: When the use of land prescribed by the contract changes after land use rights are transferred, procedures must be completed in accordance with Article 22.

Chapter 4: Leasing Land Use Rights

Article 32: Leasing land use rights means that the land user acts as the lessor in leasing his land use rights as well as the buildings and appendages on the land to a lessee, who will pay rent to the lessor.

Article 33: When land use rights are leased, the lessor and the lessee must sign a lease contract.

The lease contract must not violate law, regulations, or the provisions of the land use rights purchase contract.

Article 34: The lease period for land use rights must not exceed the length of use stated by the land use rights purchase contract and must be decided by the lessor and the lessee through consultation.

During the lease period, the lessor must continue to implement the land use rights purchase contract; while the lessee is entitled to his rights and must perform his duties, as required by the lease contract.

Article 35: The lessor and the lessee must complete the lease procedures within 15 days from the date the lease contract is signed.

If there is a change in the lessor or the lessee, a new lease contract must be signed but the former provisions must be followed.

When the lease terminates, the lessor and the lessee must complete cancellation procedures within 15 days from the date of termination.

Chapter 5: Mortgaging Land Use Rights

Article 36: A land user who obtains land use rights by means of purchase or transference by others may mortgage his land use rights to a financial organization or a creditor.

When mortgaging, he must submit the state-owned land use certificate and the land use rights purchase document or the land use rights transfer document. If there are buildings and appendages on the land, he must also submit his proprietorship certificate. After the mortgagee's verification, the mortgagor and the mortgagee must sign a mortgage contract.

The mortgage contract must not violate law, regulations, or the provisions of the land use rights purchase contract.

Article 37: When land use rights are mortgaged, the buildings and appendages on the land are also mortgaged.

When the buildings and appendages on the land are mortgaged, the use rights of land within the scope of these buildings and appendages are also mortgaged.

Article 38: If the mortgagor cannot repay his debt in due time or if he declares dissolution or bankruptcy during the mortgage period, the mortgagee has the right to dispose of the mortgaged property according to law, regulations, and the provisions of the mortgage contract, and has priority in demanding compensation.

Anyone who obtains land use rights and the proprietorship of the buildings and appendages on the land by means of the disposal of mortgaged property must complete the procedures for a change in ownership registration within 15 days after the disposal of the mortgaged property.

Chapter 6: Terminating Land Use Rights

Article 39: When the land use rights period expires but the land user wishes to continue using the land, he must apply six months in advance to the land management department of the people's government at the county level or above for approval of continuation, sign a new land use rights purchase contract, and pay the purchase amount for the land use rights. There is no change in the land use rights or the proprietorship of the buildings and appendages on the land.

If the land user does not apply for renewal of his land use rights when the land use rights period expires, the land use rights and the proprietorship of the buildings and appendages on the land will be gratuitously taken back by the people's government at the county level or above. The land user must surrender his land use certificate and certificates of proprietorship for the buildings and appendages on the land, and must complete cancellation procedures with the land management department and real estate management department of the people's government at the county level or above.

Article 40: Land use rights which are obtained by legal means cannot be taken back ahead of schedule.

If the state wishes to take back land use rights ahead of schedule in the public interest or for other special needs, it

must inform the land user 60 days in advance and compensate for the unused rights to the land as well as to the buildings and appendages on the land.

Chapter 7: Transferring, Leasing, and Mortgaging Allocated Land Use Rights

Article 41: Transferring, leasing, or mortgaging allocated land use rights as well as allocated proprietorship of the buildings and appendages on the land must be approved by the land management department and real estate management department of the people's government at the county level or above; a land use rights sale contract must be signed according to the provisions of Chapter 2 and an additional selling fund must be paid for the land use rights; or the profit gained from the transfer, lease, or mortgage may be used to offset the selling fund.

The people's government at the county level or above will, according to a certain ratio of the total land price, collect the payment of the additional selling fund or the selling fund offset by the profit obtained from the transfer, lease, or mortgage; but the minimum ratio must not be lower than 40 percent of the total land price.

Transferring, leasing, or mortgaging allocated land use rights must proceed in accordance with the provisions of Chapter 3, Chapter 4, and Chapter 5.

Article 42: Management methods over leasing houses or carrying out business-type activities on allocated land will be separately worked out by the provincial people's government.

Article 43: If a land user who gratuitously obtains allocated land use rights wishes to terminate the use of the land because of removal, dissolution, cancellation, or bankruptcy, the people's government at the county level or above will gratuitously take back the land use rights and sell the rights according to the current regulations.

Allocated land use rights may be gratuitously taken back by the people's government at the county level or above for urban construction or urban planning, and the rights may be sold according to the current regulations.

When the people's government at the county level or above takes back allocated land use rights, it must compensate the user for the loss of the buildings and appendages on the allocated land in accordance with actual conditions and the relevant provisions.

Chapter 8: Legal Responsibility

Article 44: If land use rights are obtained by means of deception or without meeting the relevant provisions, the land use rights will be revoked and gratuitously taken back by the people's government at the county level or above.

Article 45: If the user does not comply with the terms and conditions of the land use rights purchase contract in using or developing land, the land management department of the people's government at the county level or above will instruct him to correct the practice, give him a warning according to the seriousness of the case, and impose a fine

not exceeding 30 percent of the purchase amount. If the case is serious and the user refuses to correct it, the people's government at the county level or above will gratuitously take back the land use rights.

Article 46: If the land user violates the provisions of the land use rights purchase contract and leaves the land unused for two years, the people's government at the county level or above will gratuitously take back the land use rights.

Article 47: If the land user changes the use of the land specified by the land use rights purchase contract, the land management department of the people's government at the county level or above and the urban planning administrative department will instruct him to correct the practice; if he refuses to correct it, a fine will be imposed according to the relevant state and provincial regulations.

Article 48: If, without authorization, the land user transfers, leases, or mortgages allocated land use rights, this transfer, lease, or mortgage will be invalid; and the land management department of the people's government at the county level or above will confiscate his illegal income and impose a fine not exceeding 50 percent of this illegal income.

Article 49: If the land user changes the ownership but does not complete the procedures for a change in ownership registration, the land management department and real estate management department of the people's government at the county level or above will instruct him to complete the procedures within a given period and will also impose a fine on him according to the relevant state and provincial regulations.

Article 50: If the land user violates other laws and regulations in selling, transferring, leasing, or mortgaging land use rights, the relevant department in charge will deal with the matter according to the relevant laws and regulations.

No duplicate fine must be imposed for the same illegal practice.

Article 51: In the case of illegal approval for the sale of land use rights, the approval document is invalid. The relevant person illegally approving the sale of land use rights will be given an administrative punishment by the higher authorities. The new buildings and appendages on the illegally approved land will be demolished or confiscated and compensation will be paid for economic losses incurred according to the relevant state and provincial regulations.

Article 52: In the case of deception or bribery in selling, transferring, leasing, or mortgaging land use rights, or if the land use rights purchase funds or the relevant taxes are embezzled or withheld, the higher authorities will impose administrative punishment; if it constitutes a crime, the relevant person will be held responsible according to law for the consequences of this criminal offense.

Article 53: If the relevant person does not accept an administrative decision, he may appeal to the higher-level department for reexamination within 15 days after receipt

of the decision, or he may appeal directly to the people's court within 15 days after receipt of the decision.

The reexamination department must make a reexamination decision within 60 days after receipt of the application for reexamination. If the relevant person does not accept the reexamination decision, he may appeal to the people's court within 15 days after receipt of the reexamination decision. If the reexamination department does not make a reexamination decision in due time, the relevant person may appeal to the people's court within 15 days after the reexamination period expires. If the relevant person does not apply for a reexamination or lodge an appeal or does not implement the administrative decision, the department which made the administrative decision may apply to the people's court for forced implementation.

Chapter 9: By-Regulations

Article 54: The collection of land use rights purchase funds must proceed according to the relevant state and provincial regulations.

The land use rights purchase funds and income from fines and confiscations must be entered in the financial budget, to be used for special management, urban construction, and land reclamation.

Collection of fines and charges must proceed according to law and regulations. If there are no provisions on collection of fines or charges, no fines or charges must be imposed.

Article 55: The sale, transference, and termination of state-owned land use rights outside cities and towns must proceed according to the current regulations.

Large-scale land development by foreign investors must proceed according to the Provisional Management Methods on Large-Scale Land Development by Foreign Investors.

Article 56: Individuals who obtain land use rights according to law can have their land use rights inherited.

Article 57: District people's governments' rights to implement the current regulations will be determined by the city people's governments directly under the provincial government.

Article 58: Detailed problems arising in the course of implementing the current regulations will be interpreted by the land management department of the provincial people's government.

Article 59: The current regulations come into force on the date of promulgation.

Author, Publishing House Win Suit Over Deng Biography

HK2206120994 Hong Kong ZHONGGUO TONGXUN SHE in Chinese 1213 GMT 14 Jun 94

[Text] Yantai, 14 Jun (ZHONGGUO TONGXUN SHE)—DAZHONG RIBAO [POPULAR DAILY] reported today that the hearing of a copyright lawsuit in

which Xiao Rong and the Central Party Literature Publishing House sued the Fenglai City Printing House was concluded a few days ago at the Yantai City Intermediate People's Court.

After hearing the case from both sides, the court found that plaintiff Xiao Rong owns the copyright for the book *My Father, Deng Xiaoping* and plaintiff Central Party Literature Publishing House possesses the book's sole publishing rights and the right to its format and graphic design. The court also found that their legal rights and interests should be protected by the law. Defendant Fenglai Printing House was found to have infringed on the copyright of the book in publishing it on the strength of a forged certification document provided by another person and ordered to pay part of the civil damages in accordance with the provisions of the "PRC Copyright Law."

Mediation at the court resulted in a reconciliation between the plaintiffs and the defendant. The Fenglai Printing House agreed to place an announcement in XINWEN CHUBAN BAO [NEWS PUBLISHING POST] apologizing to the Central Party Literature Publishing House and Xiao Rong. The announcement is to be made within a month after the reconciliation letter reaches the plaintiffs. The defendant will also pay the Central Party Literature Publishing House 30,000 yuan in compensation for profit losses and Xiao Rong 15,000 yuan for unpaid royalties.

Commentator Views Returned Overseas Chinese Work

HK2206110494 Beijing RENMIN RIBAO in Chinese 19 Jun 94 p 1

[Commentator's article: "Properly Handle the Work on Overseas Chinese Affairs—Warmly Congratulating the Triumphant Close of the Fifth National Conference of Returned Overseas Chinese and Relatives of Overseas Chinese"]

[Text] Under the situation in which our country is deepening reform, expanding opening up, and expediting socialist modernization, the five-day Fifth National Conference of Returned Overseas Chinese and Relatives of Overseas Chinese has triumphantly ended. We warmly congratulate the success of the conference.

Over the past five years since the last conference, our country has experienced tremendous and profound changes in various areas—it has seen political stability, economic development, national unity, and social progress. These world-renowned achievements are the result of the thorough implementation of the spirit of the 14th party congress and the spirit of the Third Plenary Session of the 14th CPC Central Committee, as well as the result of hard struggle by people throughout the country, including the broad masses of returned Overseas Chinese and relatives of Overseas Chinese who have made efforts on various fronts, and the broad masses of Overseas Chinese who have given their support and concern. We sincerely thank them for the valuable contributions they have made to the prosperity and advancement of the Chinese nation.

The party and government have always attached importance to returned Overseas Chinese work and have considered the broad masses of returned Overseas Chinese, relatives of Overseas Chinese, and Overseas Chinese as an important force for China's modernization. Comrade Deng Xiaoping has pointed out many times that the broad masses of Overseas Chinese hope to see a prosperous and developed China, and he viewed giving play to the active role of Overseas Chinese as an unique opportunity to greatly develop our country. The All-China Federation of Returned Overseas Chinese is a people's organization led by the CPC for unity with returned Overseas Chinese and relatives of Overseas Chinese of various circles; it is the bridge and link through which the party and government foster ties with returned Overseas Chinese, relatives of Overseas Chinese, and Overseas Chinese. The All-China Federation of Returned Overseas Chinese has already officially become a component of the Chinese People's Political Consultative Conference, and has a larger and unique role to play in political consultation and democratic supervision.

Our country is currently facing a very important historical period. The development of the situation is raising new and higher demands on the federation of returned Overseas Chinese at various levels, and these federations should, under the leadership of the party and government, continue to develop a patriotic spirit, do a good job in education on collectivism and socialism, unite with the broad masses of returned Overseas Chinese and relatives of Overseas Chinese, and arouse their enthusiasm and eagerness to work diligently for the country's prosperity, struggle hard, build the home towns of Overseas Chinese, and build the motherland.

The "PRC Law on Protecting the Rights and Interests of Returned Overseas Chinese and Relatives of Overseas Chinese," implemented in 1991, has embodied the government's concern for returned Overseas Chinese and relatives of Overseas Chinese and has enabled returned Overseas Chinese and relatives of Overseas Chinese to have a legal basis for the protection of their legitimate rights and interests; the federations of returned Overseas Chinese at various levels should help the government to do a good job in implementing the "PRC Law on Protecting the Rights and Interests of Returned Overseas Chinese and Relatives of Overseas Chinese," and should do a good job in liaison between the government and returned Overseas Chinese and relatives of Overseas Chinese.

The federations of returned Overseas Chinese should go to the grass-roots levels and go deep into the realities of life in order to foster close ties with the broad masses of returned Overseas Chinese and relatives of Overseas Chinese, listen to their opinions and reflect their opinions, care for their sufferings, and properly serve them, really becoming the "close friend" of the broad masses of returned Overseas Chinese and relatives of Overseas Chinese.

The conference this time has commended nearly 1,000 advanced units and individuals and 10 outstanding persons from the circles of returned Overseas Chinese. They

are the outstanding elements among the broad masses of returned Overseas Chinese and relatives of Overseas Chinese; we sincerely congratulate them, and we hope to see more outstanding elements emerging.

One important task that the federations of returned Overseas Chinese at various levels must do well this time is liaison with Overseas Chinese. "Enable the returned Overseas Chinese to play their role as a bridge." They should help the relevant departments to vigorously develop economic, trade, scientific, technological, and cultural exchanges and cooperation with Overseas Chinese for the sake of reform, opening up, and modernization. On one hand, this can help Overseas Chinese to develop businesses and is conducive to the economic prosperity of the countries in which they are residing; on the other, this can promote the development of reform, opening up, and modernization in our country.

In order to accomplish their important duties and meet the needs arising from the development of the situation, the federations of returned Overseas Chinese at various levels must vigorously strengthen their own reform and construction efforts. Perfecting organization, training and assigning cadres, improving work style, and straightening out the management system have already become urgent tasks.

As far as the future is concerned, by the end of this century, our country will have initially built the socialist market economic system, will have realized the second-step development goal of reaching a comfortable living standard, and will have pushed the country's comprehensive national strength to a new level. In 1997 and 1999, our country will resume sovereignty over Hong Kong and Macao respectively and will realize a smooth transition. This represents major progress in accomplishing the great undertaking of peaceful reunification of the motherland according to the principle of "one country, two systems." It is particularly important to do a good job in "Overseas Chinese" work at this critical time when the country confidently strides toward the 21st century and unity, prosperity, and civilization. It is hoped that the federations of returned Overseas Chinese at various levels will shoulder the important duties entrusted to them by the times, unite with the broad masses of returned Overseas Chinese and relatives of Overseas Chinese, and, under the leadership of the party and government, work together wholeheartedly to make a larger contribution in the struggle for the motherland's peaceful reunification and prosperity.

Over '6 Million Cadres' Study Deng's Works in 1993

OW2106162694 Beijing XINHUA in English 1517 GMT 21 Jun 94

[Text] Beijing, June 21 (XINHUA)—More than six million cadres throughout China took part in various training classes to study Deng Xiaoping's theories about building socialism with Chinese characteristics last year.

An official from the Organization Department of the Central Committee of the Communist Party of China (CPC) said that 2.139 million of the cadres studied in party

schools at various levels or cadre-training institutes for over one month and 2.6 million attended different short-term training classes, while 1.232 million are still studying in party schools.

They mainly studied the Volume 3 of the *Selected Works of Deng Xiaoping* and books on the socialist market economy and on modern science and technology.

During the period from October last year to May this year, the CPC Central Committee held four theory symposiums, which were attended by 175 leading officials at provincial level. They discussed important issues related to China's socialist modernization drive.

Special attention was paid to training young cadres. Nearly 800,000 young cadres have received various kinds of training in party schools at various levels.

As a result, a swathe of personnel who know how to manage the market economy and are familiar with an export-oriented economy have been brought up.

The CPC Central Committee has paid great attention to construction of cadre training centers. By 1993, there were 6,944 party schools and management institutes with over 109,000 specialized teachers.

Nongovernment Environmental Protection Group Founded

OW2106162494 Beijing XINHUA in English 1505
GMT 21 Jun 94

[Text] Beijing, June 21 (XINHUA)—A non-governmental environmental protection organization, "the Friends of Nature", has been founded here to help the Chinese Government protect the environment.

The first of its kind in China, "the Friends of Nature" will engage in environmental protection education among students and adults and give support to all policies, measures and actions adopted by the government that will help protect and improve the environment.

Liang Congjie, founder of the body and a member of the National Committee of the Chinese People's Political Consultative Conference (CPPCC), said that the organization is open to all volunteers, including writers, artists, teachers, media workers, government employees and college students and others who are willing to be "Friends of Nature."

It will also expose and keep watch on any actions that will cause damage to the environment, according to Liang, who is the grandson of renowned Chinese scholar Liang Qichao, who lived in the late 19th century and early 20th century.

Government Clamps Down on Book Registration Numbers

HK2206061694 Hong Kong ZHONGGUO TONGXUN
SHE in Chinese 1204 GMT 13 Jun 94

[Text] Beijing, 13 Jun (ZHONGGUO TONGXUN SHE)—As of 1 June, the China Press and Publications

Administration began to control the total quantity of book registration numbers used by publishing houses. Books to be published in one year will be controlled at the level of some 70,000.

In recent years, some publishing houses in China published a large quantity of books beyond the scope of their business, or even resold book registration numbers for profit. After 1985, book registration numbers increased by an average of 15 percent each year. This seriously affected book quality. Recently, three publishing houses in Beijing which seriously violated the relevant regulations were ordered to suspend operations. They were China Broadcast and Television Publishing House, Beijing Yanshan Publishing House, and Haiyang Publishing House.

In its recent circular, the China Press and Publications Administration laid down rules for controlling the use of book registration numbers every year. In the future, if any publishing houses are found to be reselling book registration numbers for profit, the numbers they can use will be reduced by over 15 percent.

Commission Approves New Bridge Across Chiang Jiang

OW2206075294 Beijing XINHUA in English 0738
GMT 22 Jun 94

[Text] Wuhan, June 22 (XINHUA)—With the approval of the State Planning Commission, a new highway bridge will be constructed across the country's biggest river, the Chiang Jiang, in central China's Hubei Province.

The construction of the bridge will bring closer the two key grain production areas in China—the Jiangnan plain and the Dongting Lake plain. At present transportation is by ferry across the river.

The four-lane bridge will be 4,015 m [meters] long and 25 m wide.

The total cost of the bridge is expected to be 1.13 billion yuan (about 130 million U.S. dollars).

Some 60 million U.S. dollars of the cost will be in the form of loans from Japan.

Construction is scheduled to start in 1995, and the bridge should open to traffic in 2000.

The bridge is named the Jingsha highway bridge as it will stretch from the cities of Jingzhou and Shashi and to the Gonggan county.

Science & Technology

Country To Build 140 Million-Line Telecommunications Net

OW2006170094 Beijing XINHUA in English 1509
GMT 20 Jun 94

[Text] Beijing, June 20 (XINHUA)—China's total of exchange lines will reach 140 million by the end of this

century, becoming one of the world's largest telecommunications networks, said Wu Jichuan, Chinese minister of posts and telecommunications, in an exclusive interview with XINHUA here today.

He said that by the year 2000, the country will have all the telecommunications techniques that exist in the world, and be able to provide all the telecommunications services available elsewhere in the world.

The modern telecommunications infrastructure, aiming to provide an information super-highway for the national economy, will have a considerable scale, he said.

The minister said that compared with Western countries, China is spared the pain of eliminating out-dated equipment, due to its not-so-developed telecommunications infrastructure. As a result, China's telecommunications construction can leap over some development stages and technical levels which the Western countries had gone through, and directly adopt highly efficient new technology and equipment.

He said that the foreign technology introduced must be of advanced level and suited to China's needs, [in] trying to develop China's own electronic telecommunications industry with the help of introduced technology.

In the construction of optical cables, China is aiming at the world's most advanced technology, Wu said, adding that the world's most advanced optical cable network will be constructed along the Tianjin-Shenyang-Dalian line.

He said that all the capital cities in China, except Lhasa, will be connected by optical cables by June 1995. City and county telecommunication bureaus will also enter the national network.

Some 17 more major optical cables, to add to the present 22, will be constructed by the year 2000 to intensify the telecommunications coverage and take Lhasa and other cities in Tibet into the network, Wu said.

China is adopting the automatic exchange switch system directly, overleaping several stages of technological development in other parts of the world, he said, adding that some 89 percent of the exchange switches for urban telecommunication systems in the country and 99 percent for long distance calls are computerized.

The number of exchange switches increased by 12 million to 42 million last year, which is unprecedented in any other county, according to Wu.

China will keep up the annual increase of 10 million automatic exchange switches till the end of the century, building the largest and most advanced telecommunication networks in the world, he added.

Wu said the Chinese Government is paying increasing attention to the projects on national public information networks, electronic currency and foreign trade and economic information networks in order to meet the demand of China's economic development and its entry into the world market.

He said that this would inevitably stimulate the growth of the telecommunications infrastructure.

Wu said his ministry will continue the exchanges and cooperation with foreign telecommunications giants in an effort to import state-of-the-art technology, like high-speed optical telecommunications system, digital mobile telecommunications and network control system.

Nationwide Radio Paging Network Inaugurated in Beijing

OW2106191394 Beijing XINHUA Domestic Service in Chinese 1020 GMT 19 Jun 94

[Text] Beijing, 19 Jun (XINHUA)—The Xinhua Nationwide Paging Network—a radio paging network covering more than 70 large and medium-sized cities across China—was inaugurated in Beijing on 18 June.

It is the first nationwide radio paging cooperative organization in China, as well as a network with the most users and the widest area of information service coverage. A would-be user may apply for the service in his or her city, and may obtain a "nationwide paging service card." Along with the card, he or she will be given a beeper at any of the cities covered by the network. Each user has a "nationwide paging number" and can be reached at any of those cities. It takes two calls at most to reach a user.

Military

Jiang Zemin Discusses Deng's Works With Army Cadres

OW1906100294 Beijing XINHUA Domestic Service in Chinese 1259 GMT 18 Jun 94

[By correspondent Jing Shuzhan (2529 2118 1455) and reporter Jia Yong (6328 3057)]

[Text] Beijing, 18 Jun (XINHUA)—The second class of Army cadres of command level and above to study Volume 3 of the *Selected Works of Deng Xiaoping*, sponsored by the National Defense University under the Central Military Commission [CMC] and the General Political Department, ended today. So far, a total of 154 senior Army cadres have attended the classes.

To assemble senior cadres from the whole Army to study Volume 3 of the *Selected Works of Deng Xiaoping* and discuss current major issues in the country and the army's modernization drive was an important measure adopted by the CMC in order to further implement the strategic task of arming the whole army with the theory of building socialism with Chinese characteristics. Jiang Zemin, Liu Huaqing, Zhang Zhen, and other CMC leaders attended discussions on two occasions with members of the first and second study classes.

According to a briefing, members of the study classes diligently studied Comrade Deng Xiaoping's theory of building socialism with Chinese characteristics in the light of the realities in the work of each unit or department. They discussed in particular the theme of Volume 3 of the

Selected Works of Deng Xiaoping, Deng Xiaoping's theory on socialist market economy, the building of spiritual civilization under the condition of market economy, and the Army's ideological and political work. Through study, members deepened their understanding of Deng Xiaoping's scientific exposition on the essence of socialism, grasped a deeper insight of the intrinsic meaning of socialism, and enhanced their consciousness and steadfastness in implementing the party's basic line. Meanwhile, they obtained a better understanding of Deng Xiaoping's theory on socialist market economy—especially the theory's formulation, contents, and great significance—thereby raising their awareness of safeguarding the overall interests and of subordinating themselves to the overall interests. They also further clarified their ideas for work and improved their leadership quality. It is understood that, inspired by Comrade Deng Xiaoping's theory, members of the study class wrote more than 100 theses with keen insight.

Liu Huaqing Inspects Troops, Stresses Training Reform

OW1906142894 Beijing XINHUA Domestic Service in Chinese 1149 GMT 18 Jun 94

[By XINHUA reporter Yu Jianhua (0060 1696 5478) and JIEFANGJUN BAO reporter Su Ruozhou (5685 5387 5297)]

[Text] Jinan, 18 Jun (XINHUA)—In the company of Chief of General Staff Zhang Wannian, Liu Huaqing, Standing Committee member of the CPC Central Committee Political Bureau and vice chairman of the Central Military Commission, inspected troops stationed in Henan and Shandong from 13 through 18 June. He stressed that the entire army should value and attach the utmost importance to the fresh upsurge in troop training that has already emerged, further strengthen and reform military training, and upgrade the troops' combat capability under high-technology conditions to strive for the fulfillment of Chairman Jiang Zemin's overall demand that "the army must be qualified politically and competent militarily, have a fine style of work, maintain strict discipline, and be assured of adequate logistical support."

After hearing a report on the state of troop training reform, Liu Huaqing on 13 June said in western Henan: Comrade Deng Xiaoping has repeatedly stressed the need to give military training a place in strategy, while Comrade Jiang Zemin demands that army units pay close, proper attention to military training as a regular central task. In recent years I have always thought about the question: In what way can our troops complete the shift from dealing with warfare under ordinary conditions to winning a localized war under high-technology conditions? Thanks to the deepening of training reform, some successful ways have been found through our explorations, and a fresh upsurge in troop training has basically taken shape throughout the armed forces.

That evening, the Army and the Air Force held a nighttime joint exercise at a hilly area. Liu Huaqing rushed to the

exercise ground and told the military unit leaders on hand: In making nighttime warfare drill and troop training under high-technology conditions the theme of nighttime training reform, you have selected a good spot for a breakthrough. Mobilizing the entire military in nighttime training reform is a historical development. Now that the correct way has been found, it is necessary to popularize, develop, and upgrade it, and pay attention to its implementation in a solid and down-to-earth manner.

Braving the high temperature of 36 degrees centigrade, Liu Huaqing went to a certain tank regiment to view an exhibition of night vision devices. When he saw the good effects of the automated system for daytime and nighttime command of artillery troops [pao bing qun zhou ye zhi hui zi dong hua xi tong 3517 0365 5028 2521 1123 2172 2264 5261 0520 0553 4762 4827], Liu Huaqing cheerfully said: To pursue modernization with the present equipment, our army should take the path of technological innovation, tap the potential of existing equipment, and upgrade combat efficiency to twice the current level. The key lies in emancipating the mind, firming up our will, and giving play to the subjective initiative and creativity. So long as we make our way into this area and make more explorations, we will be able to find the way through which the inferior can prevail over the superior [yi lie sheng you 0110 0503 0524 0327].

Liu Huaqing visited grass-roots cadres and soldiers everywhere he went. After a certain air division carried out a nighttime joint exercise with the Army, he specifically called the pilots to his side and said in sincere words and with earnest wishes: You have put on a really excellent performance. Fighting might take place not only during daytime but also at night, or even alternately during daytime and nighttime. We must prepare for both; we should carry out rigorous training during daytime as well as nighttime.

During his investigation and study of the troops, Liu Huaqing repeatedly stressed in front of high-ranking military cadres: The current state of troop training is very good; leading cadres at all levels should take the lead in stepping up the study of high technology know-how, studying high-technology warfare, carrying forward the fine tradition of our army, and carrying out reform and innovation. Should we keep paying unremitting attention in this way, we surely will be able to lift our army's combat capability under high-technology conditions to a new level, and to justify the great trust placed in us by the party and the people.

Zhang Zhen Addresses All-Army Production Forum

OW1806015494 Beijing XINHUA Domestic Service in Chinese 1235 GMT 17 Jun 94

[By XINHUA reporter Zhang Dongbo (1728 2639 3134) and JIEFANGJUN BAO reporter Zhou Tao (0719 3447)]

[Text] Beijing, 17 Jun (XINHUA)—An all-Army forum on consolidating and reforming productive and management activities was held in Beijing 13-17 June. Zhang Zhen,

Central Military Commission [CMC] vice chairman, addressed the forum, stressing the need to follow the instructions of CMC chairman Jiang Zemin, as well as other relevant CMC instructions and decisions in bringing into play the Army's fine traditions of serving the people wholeheartedly and of consciously subordinating itself to the overall interests, and in further promoting healthy development of the Army's productive and management activities. Fu Quanyou, CMC member and director of the General Logistics Department, attended and spoke at the forum. CMC members Chi Haotian and Yu Yongbo attended the meeting.

According to a briefing, the Army has scored notable results in consolidating and reforming productive and management activities: In the light of realities, all major units have formulated concrete plans to actively and steadily implement the CMC's guidelines on centralized management of enterprises; the CMC's regulation banning combat troops from engaging in productive and management activities has been gradually enforced; Army-run coal mines in Shanxi have been transferred to local authorities to the satisfaction of the state, the Army, the local governments, and the masses of people; and all units have persisted in promoting consolidation and reform on the one hand, while stabilizing and developing production to avoid drastic decreases in production efficiency on the other, thereby giving a strong impetus to agricultural and sideline production in all Army units.

In his speech, Zhang Zhen said: Consolidating and reforming the Army's productive and management activities is a major policy decision made by CMC in accordance with Comrade Deng Xiaoping's concept of Army building in the new period. Chairman Jiang Zemin made a series of important instructions regarding the work. We must earnestly understand and unify our thinking, based on the spirit of important instructions and the policy decision, so as to more consciously and steadfastly implement the CMC policy decision.

He emphasized: As the consolidation and reform of productive and management activities involves major readjustments in interest relationships, we must emphasize, in particular, the sense of discipline. We should strengthen supervision and inspection by bringing into play the role of discipline inspection and auditing departments. He pointed out: To successfully consolidate and reform productive and management activities is a real test of high-level leading organs; it is also an important aspect of the task of improving office and leadership work style. In the next phase of consolidation and reform work, the headquarters and all major units should pay close attention to the consolidation and reform of their productive and management activities, assigning principal leaders to personally take charge of the work to ensure consolidation and reform in each and every department. Office and department leaders must take overall interests into account and ensure the completion of consolidation and reform work quantitatively and qualitatively.

In his speech, Fu Quanyou summarized the consolidation and reform work in the productive and management

activities of all Army units in the early phase, and set forth specific tasks for the next phase. He said: In the next phase, we should focus attention on work in the following five areas: 1) conducting an immediate inventory of the "dismantling, screening, suspending, and standardizing" productive and management activities of Army units stationed in some localities; 2) earnestly ensuring readjustment of the organizational structure of all Army-run enterprises; 3) further screening and consolidating productive and management projects and setting a deadline by which all those violating the regulation must correct themselves; 4) striving to fulfill this year's productive tasks; and 5) strictly conducting inspections and acceptance tests.

Leaders of the three general departments and responsible comrades of all major units and the Army police headquarters attended the forum.

Chengdu Military Region Commends Regiment

HK1606102894 Kunming Yunnan People's Radio Network in Mandarin 1000 GMT 13 Jun 94

[Excerpts] Chengdu Military Region commander Li Jiulong and Zhang Zhijian, Chengdu Military Region political commissar, have recently jointly issued an order conferring Merit Citation Class II on a certain border defense regiment which has faithfully and honestly defended the border areas for years. The order called on all troops under the command of Chengdu Military Region to learn from the regiment.

It is learned that since the end of 1992, the regiment has actively cooperated with and assisted the local government departments concerned, as well as locally stationed armed police forces, in successfully intercepting and seizing some 175 vehicles smuggled from foreign countries or regions. Moreover, the regiment has also refused to accept bribes totalling 3.163 million yuan in cash from smugglers, including drug traffickers, on more than 80 occasions. [passage omitted]

During his inspection of Yunnan last August, Zhang Zhen, Central Military Commission vice chairman, also highly praised the regiment.

Former Jinan Military Region Deputy Commander Dies

OW1706135294 Beijing XINHUA Domestic Service in Chinese 0725 GMT 16 Jun 94

[Text] Jinan, 16 Jun (XINHUA)—To our great sorrow, Comrade Dong Xuelin, former deputy commander of the Jinan Military Region, passed away at the age of 63 due to a serious neurocranium injury sustained from a fall at his home on 20 April.

Dong Xuelin came from Laiwu County, Shandong Province. He joined the Chinese People's Liberation Army in 1948 and the CPC in 1949. During the Liberation War, he served first as a soldier and then as squad leader in the Jinan, Huaihai, Duijiang, Langguang, and Shanghai Battles. After the founding of the PRC, he served as cultural

teacher, staff officer, section chief, regiment commander, division chief of staff, division commander, army corps chief of staff, provincial military district commander, deputy commander of the Beijing Military Region cum commander of the Beijing Garrison, and others. He took part in the combat to suppress the bandits at the Jiangxi-Zhejiang-Anhui boundary and the War to Resist U.S. Aggression and Aid Korea, accomplishing all fighting missions assigned by his superiors. He always went deep into the grass roots to conduct investigation and study and then summed up experiences, carrying out numerous fruitful work for upgrading the officers and men's military and political caliber and for strengthening military training and administration of the troops. He was a delegate to the 14th National CPC Congress and a deputy to the Seventh National People's Congress, and was conferred the rank of major general in 1988.

During his military career that spanned nearly half a century, Dong Xuelin exerted himself in studying Marxism-Leninism and Mao Zedong Thought; cherished a deep love for the motherland and the party's cause; took care to preserve the interests of the whole; fought bravely in war; worked enthusiastically, cautiously, and conscientiously; adopted an earnest and responsible attitude; united his comrades; did his job in a thoroughgoing and creative manner; and accumulated extensive military experience and showed his capability to organize and lead. He supported the party's line and general and specific policies since the Third Plenary Session of the 11th CPC Central Committee, kept in step with the party Central Committee politically, and made due contributions to strengthening army building.

PLA Makes 'Historic Leap' in Command Automation

OW1706135394 Beijing XINHUA Domestic Service in Chinese 0719 GMT 16 Jun 94

[By RENMIN RIBAO reporter Jia Zhaoquan (6328 2507 0356) and XINHUA reporter Ma Xiaochun (7456 2556 2504)]

[Text] Beijing, 16 Jun (XINHUA)—The exhibitions and demonstrations of exchange, carrier wave, microwave, satellite, optic fiber, and computer networks and software developed by a telecommunications research institute under the People's Liberation Army [PLA] General Staff Headquarters today indicated a historic leap into a regularized, serialized, and programed new stage for the PLA's telecommunications and command automation programs.

As a leading PLA scientific research institute specializing in telecommunications and command automation programs, this institute has scored great successes following three decades of hard work in tackling key problems. Of over 2,000 scientific research projects it completed, 200 were winners of state, army-level Scientific and Technological Achievement Awards, including State Scientific and Technological Advancement Awards and Invention Awards for eight projects. The development and application of these scientific research achievements has helped

the PLA upgrade its telecommunications equipment from electronic tubes and transistors to large-scale integrated circuits, resulting in the substantial enhancement of its overall telecommunications level. As far as the PLA's command automation programs are concerned, the completed process from single machine development to a remote on-line and armywide network has provided the PLA with a modern security device in terms of operation command, military training, force management, and information processing.

The promotion of the PLA's telecommunications and command automation programs also effectively supports state economic construction, bringing impressive social and economic benefits. In recent years, the application of 218 scientific and technological achievements in state economic development has won high praise from both local governments and the masses.

Economic & Agricultural

Chen Junsheng's Message Commends Wasteland Auction

OW2206093994 Beijing XINHUA in English 0900 GMT 22 Jun 94

[Text] Harbin, June 22 (XINHUA)—China has launched a new move to auction off more wasteland to farmers in an effort to quicken the building of water and soil conservation projects and help farmers achieve greater economic gains.

To date, the use right of a total of 500,000 hectares of wasteland in north China's Shanxi, Shaanxi and Heilongjiang Provinces had been sold to farmers, according to a national wastelands auction held in Mudanjiang city of northeast China's Heilongjiang Province.

China has more than 300 million hectares of wasteland suffering from serious water loss and soil erosion, over ten percent of which (about 30 million hectares) can be developed.

State Councillor Chen Junsheng sent a message, hailing the opening ceremony of the auction, saying the new move is an extension of China's household contract responsibility system, with remuneration linked to output, that started in rural areas in the late 1970s.

It is a new step, under the new market economic conditions, to initiate a mass movement to tackle soil erosion, he said.

According to the state councillor, the right of development and use of wastelands sold legally allows farmers to explore and use the land for a period of 50 to 100 years. It can be inherited and transferred, he said.

The move helps to bring into full play the initiative of local peasants to control water loss and soil erosion and tap natural resources and further develop agricultural production, Chen said.

He added, it also opens a new way for the surplus labor force in the rural areas to find jobs and helps raise necessary funds for the country's water conservation projects.

Due to various historical reasons, he said, soil erosion in China is still serious. It is of great significance to tackle the problem by mobilizing the masses of people, he said.

He urged governments at all levels to understand and carry out the policy in spirit and to the letter and in the light of the real situation in each locality.

According to the meeting, the main bidders for the use right of large tracts of wasteland are farmers, but personnel from governmental bodies, workers and staff members from state-owned and private enterprises, as well as overseas business people, are also encouraged to participate.

Wasteland that suffer from serious soil erosion, including barren mountains, valleys, hills, rivers and streams, will be given priority in the sales.

Money raised will be used solely as a special fund in tackling soil erosion problems in other areas.

More than one hundred representatives from the governmental water and soil conservation departments at all levels across the country are taking part in the meeting.

Coal Industry To Increase Exports

HK2206074994 Beijing ZHONGGUO XINWEN SHE
in English 1257 GMT 21 Jun 94

[Text] Beijing, June 21 (CNS)—According to the China Coal Industrial Import and Export Corporation, China will strengthen its construction of railways and ports in order to increase its coal export, and by the year of 2,000, the volume of such export will increase to 30 million tonnes.

Relevant experts at a conference on coal production recently held in Australia predicted that China would become an important country for coal export in the world. With the rapid development of coal industry, China would in the near future provoke a threat to Australia's status as the biggest coal export country in the world.

In 1992, China exported 20.2 million tonne coal to more than 20 countries and regions and its coal markets overseas were mainly in Asia and Europe. But this year such an export is predicted to be 22 million tonnes.

China now is still practicing a monopolized policy on the management of this special commodity and only some specialized companies designated by the state are allowed to engage in coal's sales.

At present, coal export from China has made up two percent of its total output and accounted for about five percent of the total coal trade in the world market.

'Bright Prospects' Ahead for Textile Industry

HK2206072994 Beijing ZHONGGUO XINWEN SHE
in English 1258 GMT 21 Jun 94

[Text] Qingdao, June 21 (CNS)—When attending the China textile and clothing products trade fair held here recently, the Chairman of the China Textile Council, Ms Wu Wenying, said the textile industry in China was not a declining industry. There was bright prospects for development of China's textile industry.

—Since the textile industry in China has plunged into a temporary predicament, a dispute on whether the textile industry in China is a declining industry has been going on among specialists in the economic circle. Elaborating on this question, Ms Wu said it was wrong to call the textile industry a declining one. Up to date, the output value of the textile industry remained one-sixth of the total industrial value of the country. Tax on its profit and the total income from its retail sales made up one-sixth each of those of the whole country. Its export value was even grater, making up 30 percent of that of the country. Since the reform and the open-door policy started fifteen years before, Ms Wu said, profit from and tax levied on the textile industry was as high as RMB 310 billion [renminbi] for the country and earned U.S.\$160 billion from its export, unmatched by any other industry in China. Even in 1993 which was the most difficult year for the industry, it still handed over more than 20 billion renminbi to the state and earned U.S.\$27 billion from its export, indicating the textile industry remained one of the pillar industries of China.

—Ms Wu said any country in the world would have to start from the light and textile industries in its course from a developing country to a developed one. China was still a big agricultural country and its productive forces remained at the primary stage of development. It was impossible for China's hi-tech industries to catch up with the level of the developed countries overnight. China must depend on the light and textile industries to accumulate wealth and to lay a strong foundation. Therefore, Ms Wu said, the textile industry would still function as one of the pillar industries before China became a developed country by mid-21st century.

—Ms Wu said in view of the situation that the top-notch fashionable dress and materials for clothes-making were mostly imported, there existed great potential in the textile industry in China. Besides, the two fields including the decorative cloth and cloth for industrial use needed to be developed. In the developed countries, Ms Wu said, garment, textile products for decoration and for industrial use usually made up one-third of products of the textile industry respectively. In China, however, only garment made up 70 percent of the textile industry products. Therefore, there was bright prospects for the development of the textile industry in China.

Work To Start on Huang He Dam Project

OW2206020694 Beijing XINHUA in English 0104
GMT 22 Jun 94

[Text] Zhengzhou, June 22 (XINHUA)—Construction is to start soon on an irrigation and power-generation project on China's second-longest river, the Yellow River [Huang He].

The Xiaolangdi Multipurpose Project is claimed to be the second-largest water-conservancy scheme after the Three Gorges Dam on the Chang Jiang river.

There will be a 154-m-high dam with 15 large tunnels and a spillway to divert the river, handle floods, generate power and control sediment.

In April this year the World Bank approved a loan of 570 million U.S. dollars for the project, which will take nine years to complete.

Flooding problems along the Yellow River date back thousands of years, as do China's efforts to harness the river.

Each year 400 million tons of silt is deposited downstream, raising the riverbed.

It took half a century for experts on water conservancy to identify Xiaolangdi, where the middle and lower reaches meet, as the ideal place for a dam to harness the Yellow River. The project got the go-ahead from China's National People's Congress in 1991.

Located about 130 km downstream from the Sanmen Gorges Dam in central China's Henan Province, the Xiaolangdi Reservoir will have a designed storage capacity of 12.6 billion cu m.

Zhu Yunxiang, who oversees the entire project, said that when completed, the dam, together with other reservoirs nearby, will enable the lower reaches of the river to withstand floods of a magnitude that occurs only once in 1,000 years.

In the first 36 years after it is put into use the dam will be able to prevent 7.3 billion tons of silt from flowing downstream, reversing the present buildup trend.

The project will also help control the ice jams which occur every spring downstream.

The reservoir will pump an additional four billion cu m of water a year for agricultural and industrial use along the lower reaches. It will generate up to six billion kwh of electricity a year.

The Xiaolangdi Dam is one of the most costly projects funded by the World Bank, which since 1988 sent 15 delegations to conduct assessments before giving it the nod in April this year.

In May this year two Chinese, one French and one Italian company won bids to construct the three main parts of dam.

Zhu Yunxiang said, "for all competitors, the huge investment is a money-making opportunity."

Zhu added that there are complicated technical problems in the construction of the mammoth project.

Preparatory work, which cost about 1.2 billion yuan (about 137 million U.S. dollars), was completed last month after two years' effort by a workforce of 15,000. It includes facilities for transportation and telecommunications, water and electricity supplies and accommodation for workers.

Personnel Exchange Program Aids Poorer Provinces

OW2206092494 Beijing XINHUA in English 0907
GMT 22 Jun 94

[Text] Lanzhou, June 22 (XINHUA)—The economically developed coastal areas in China have made it a point to man leading posts with officials from poorer western China to serve under capable local officials so that they can learn the expertise involved in economic operations and apply it after they return to their native places.

This has proved to be an effective way to help develop the economies of western China as their officials have become more and more capable.

In recent years Gansu Province, one of the poor areas in northwest China, has sent over 300 officials to developed areas such as Zhejiang Province in the east and Tianjin Municipality in the north to work for a period of time to learn from local experience; in return, officials from the developed coastal areas have gone to remote areas to help them develop their economies.

The officials from Gansu have not only learned the skills of marketing and economic operations, they have also helped to introduce over 100 technical projects to boost the economies of their native places.

The past 15 years of reform and opening up in China have brought great changes to the eastern and southern parts of China, but the northwest has made comparatively less progress because of poor natural conditions and other factors.

Since 1991, when Jiangsu and Shaanxi Provinces first started exchanges of officials, other provinces have followed suit, and officials exchanges have been carried out between Beijing and the Xinjiang Uygur Autonomous Region, Shandong and Shaanxi Provinces, and Zhejiang Province and the Ningxia Hui Autonomous Region.

The exchanges involve more than 10,000 officials at various levels.

Officials from Shandong and Jiangsu working in 59 poor counties and cities in the west have held a dozen training courses for over 10 million people.

They have also helped western areas set up over 250 joint ventures which recorded 440 million yuan (about 50 million U.S. dollars) in output value last year.

Scientists and technicians from the Tianjin Academy of Agricultural Sciences have helped farmers and herdsman in the west learn vegetable storage and cross breeding.

At the same time, officials from the poor areas have their eyes opened by the brisk market economy in the east.

People from Xinjiang have learned advanced management techniques and helped introduce advanced equipment to their hometowns to promote the development of the chemicals, textiles and electronics industries, as well as agricultural production.

Meanwhile, such exchanges have promoted economic and technical co-operation. Shaanxi and Qinghai Provinces, and the Xinjiang Uygur, Tibet, Inner Mongolia and Guangxi Zhuang Autonomous Regions have signed contracts of cooperation in funds and labor with the developed areas.

The developed areas benefit as well from the exchanges as they receive raw materials and energy from the underdeveloped areas.

Some political and economic analysts hold that the officials exchanges have brought new changes in the circulation of personnel, technology, commodities and resources between the east and the west.

Import Restrictions Reportedly Eased on 7 Commodities

HK2206035094 Hong Kong CHING CHI TAO PAO in Chinese No 23, 13 Jun 94 p 14

[From "Chinese Economic News" column: "State Liberalizes Policies on Seven Import Commodities"]

[Text] The State Council has decided to lift restrictions on the import of seven commodities, including grain, cotton, edible oil, sugar, chemical fertilizers, and farm pesticides.

The main contents of the move include: There will be no tariffs levied on imported wheat and import value-added taxes will be returned in full after they are collected. There will be no tariffs on imported cotton and import value-added taxes will be returned in full after they are collected. There will be no tariffs on imported bean oil. Tariffs on imports of palm oil and sugar will be reduced by 50 percent. There will be no tariffs on imports of potash fertilizer, phosphate fertilizer, and urea and import value-added taxes will be returned in full after they are collected. If the price is still lower than the domestic market price after the reimbursement of tax, a small portion of the returned value-added taxes will be deducted. There will be no tariffs on imported farm pesticides and intermediate and import value-added taxes will be returned in full after they are collected.

Regulations on Metallurgical Product Prices

HK2106140394 Hong Kong ZHONGGUO TONGXUN SHE in Chinese 0828 GMT 10 Jun 94

[Text] Beijing, 10 Jun (ZHONGGUO TONGXUN SHE)—The Chinese Ministry of Metallurgical Industry

recently formulated management regulations on raising and lowering the prices of metallurgical products. The main points are as follows:

1. Raising or lowering metallurgical product prices is an important component of metallurgical product prices. These prices are verified by the state according to the users' needs and product quality on the basis of the existing or partially promulgated state criteria for metallurgical products. Whether an enterprise increases or reduces its metallurgical product prices must be based on the user's proposal, and the lowered or raised prices must be clarified in the contract that is signed.

2. The names, sizes, physical properties, chemical components, and specifications of products listed in the catalogue of "ex-factory prices of metallurgical products" are governed by the existing or partially promulgated state criteria. If the names, sizes, physical properties, chemical components, or specifications of metallurgical products are not covered by the existing or partially promulgated state criteria, the enterprise's criteria or the technical requirements set by both parties' agreement can be taken as the basis.

3. Raising or lowering the state-set or state-guided prices of products must strictly proceed in accordance with the catalogue of "ex-factory prices of metallurgical products." If an enterprise reduces a product's chemical component according to its internally controlled criteria for production, changes its workmanship, improves its precision, or increases its inspection, but does not do so at the user's request, it cannot raise the product's price.

4. Raising or lowering the state-set prices of products must proceed under the management of the Ministry of Metallurgical Industry; localities or enterprises are not allowed to change prices without authorization.

5. Raising or lowering the market prices of iron and steel products must be discussed by both parties and explained in their purchase and sales contracts.

Huaihe Valley Becomes Granary

OW2206065494 Beijing XINHUA in English 0625 GMT 22 Jun 94

[Text] Hefei, June 22 (XINHUA)—Notorious as an unruly river in central China, the Huaihe river has now been tamed after 40 years of effort.

The river flows through Henan, Anhui, Jiangsu, Shandong and Hubei Provinces, and its valley covers 270,000 sq km. Both the population and cultivated land in the valley account for one eighth of the country's total.

As a result of its geographic location in the transitional belt between southern and northern climates, the valley floods during torrential rains and suffers from severe drought if there is no rain.

Soon after China's liberation in 1949 the central government mobilized farmers and invested 50 billion yuan to construct irrigation facilities.

The people of the valley have dug 12 new river courses with a combined length of 1,400 km and built 5,300 reservoirs able to store 25 billion cu m of water and other irrigation facilities.

Now the irrigated areas in the valley have expanded to 7.3 million ha, ten times more than in the period before liberation in 1949.

The output of grain produced in the valley accounts for one sixth of the country's total, and that of cotton and oil-bearing crops for one fourth.

East Region

Commentary Urges Cadres To Study Tax System

OW2006082794 Hefei ANHUI RIBAO in Chinese 6
Jun 94 p 1

[Commentary by ANHUI RIBAO contributing commentator: "Study the New Fiscal and Taxation Systems and Seize the Initiative in Providing Leadership"]

[Text] In our reform of the economic structure this year, we will combine package reform with breakthroughs in key areas, with reform of the fiscal and taxation systems constituting a key content. Successfully carrying out fiscal and taxation system reform is of great significance to accelerating the establishment of a socialist market economic structure; further straightening out interest relationships among various sectors; enhancing the enthusiasm of people at various levels; simultaneously increasing revenue and stimulating economic development; and to upgrading Anhui's economic level and overall strength. To ensure the smooth progress of reform, many areas have conscientiously studied and publicized the new fiscal and taxation systems. Although they have achieved some results in this respect, we should be aware that work done thus far is entirely insufficient. Quite a number of comrades, including many leading comrades and those directly engaged in economic work, have failed to attach sufficient importance to knowledge of fiscal and taxation system reform. Instead of carefully and thoroughly studying the new fiscal and taxation systems, they only understand them in general terms, and are not clear about how to handle problems encountered in the course of implementing the new systems. Therefore, they have not taken the initiative to adapt themselves to the new situation and to switch to a new idea for economic development. This state of affairs is entirely incompatible with the new situation.

Anhui is now at the critical phase of accelerating development. Whether or not we can seize the opportunity, advance by taking advantage of the situation, and keep the development momentum, depends heavily on our ability to pass the test of fiscal and taxation system reform. To Anhui, the introduction of the new fiscal and taxation systems is both a challenge and an opportunity, and is both pressure and a motive force. Through implementing the new fiscal and taxation systems, we should redirect the guiding thought for economic work at different levels to optimizing structures and improving efficiency, in order to create new conditions and a new motive force for Anhui's economic development. Meanwhile, as the factors of increased spending have risen this year, we should handle the relationship among reform, development, and stability well. This also requires that we concentrate on doing our fiscal and taxation work well. Therefore, cadres at all levels, particularly leading cadres, must enhance their understanding of the importance of thoroughly studying the new fiscal and taxation systems. They should know that this is an important matter which has a bearing on Anhui's economic development as a whole, and therefore, they should do it well. Efforts should be made, through a

thorough study of the new fiscal and taxation systems, to enhance Anhui people's awareness of opportunities and competition. We should make serious efforts to tackle reform of the fiscal and taxation systems, accelerate economic development, increase revenue and reduce expenditure, and ensure that there will be a surplus in the balance between revenue and expenditure this year; thereby laying the foundation for economic development and an increase in tax revenues in the future.

In strengthening the study of fiscal and taxation system reform, it is necessary to conduct investigations in all localities. Leading cadres at all levels and comrades from various relevant departments should visit various localities, trades, and enterprises to specifically study and analyze the situation to obtain first-hand information. By combining qualitative and quantitative analysis, they should get a good picture of the local situation.

On the basis of investigation and study, leading cadres and comrades of various departments should actively work to meet the requirements of the new fiscal and taxation systems, further straighten out their development plans, and readjust the economic structure. In particular, they should have a clear understanding of the following points: First, they should stick to the concept of development; keep in mind the importance of increasing tax revenues and boosting economic development; vigorously cultivate new trades for expanding the economy; promote the coordinated development of first, secondary, and tertiary industries; open up new avenues of financial resources; and make economic development the reliable basis for expanding tax revenues. Second, it is necessary to enhance awareness of efficiency, firmly establish the standard—"economic development is based on efficiency, the improvement of efficiency is based on profits and taxes, and the increase in profits and taxes can be determined from the amount of profits and taxes delivered to the state"; accelerate readjustment of the economic structure; invest limited funds and resources in industries and products which comply with state industrial policies, give quick returns, and have high added value; and pay attention to efficiency in economic development. Third, it is necessary to change the concept of supporting enterprises by relying purely on reducing taxes and transferring profits; improve the relationship between the government and enterprises; and ensure that all taxes are collected; at the same time, after localities have strengthened their financial power, they should concentrate on supporting enterprises. Fourth, it is necessary to give equal importance to broadening sources of income and reducing expenditure, and resolutely put a stop to extravagance and wastefulness.

Fiscal and taxation system reform is a specialized job and involves a wide range of subjects. It will be difficult to carry out if we do not work hard. All localities and departments should, on the basis of preliminary studies, make further efforts to conduct a comprehensive and systematic study to tackle existing problems and to increase their understanding of the reform. In particular, they should thoroughly study the new situation and contradictions which have emerged in the practice of the new

systems. They should avoid being satisfied with a general and conceptual understanding, and overcome the tendency to simplify matters because they are difficult to understand. Leading cadres should take the lead in engaging in studies; personally conduct investigations and studies; and seize the initiative in leading economic work. Fiscal and taxation system reform involves various sectors and the vital interests of the masses. When new policies and regulations are promulgated, the relevant departments should see to it that they are quickly implemented in grass-roots areas and enterprises. They should promptly discover and sum up the work experiences of various localities, and vigorously popularize them to promote the smooth advance of fiscal and taxation system reform.

Fujian Secretary Meets TA KUNG PAO Officers

HK2106122694 Fuzhou Fujian People's Radio Network in Mandarin 2300 GMT 18 Jun 94

[Text] Yesterday morning, Provincial Party Committee Secretary Jia Qinglin met in Fuzhou's Xihu Hotel a group of visiting Chinese People's Political Consultative Conference [CPPCC] National Committee members, including Huang Guohua, Hong Kong TA KUNG PAO Company Ltd. president and TA KUNG PAO director; Zeng Decheng, National People's Congress deputy and Hong Kong TA KUNG PAO chief editor; and Feng Zhongliang, Hong Kong TA KUNG PAO Company Ltd. general manager. He Shaochuan, provincial party committee standing committee member and propaganda department director, was also present on the occasion.

Jia Qinglin answered the TA KUNG PAO leaders' questions, gave them a detailed account of Fujian's achievements in opening up, economic growth, and infrastructure building, and briefed the Hong Kong guests on a plan aimed at further promoting Fujian's economic growth and bringing Fujian's four coastal superiorities fuller into play, particularly Fujian's links with the Taiwan compatriots and overseas Chinese.

At the end of the meeting, the TA KUNG PAO leaders spoke highly of Jia Qinglin's detailed account of Fujian's future development. Yesterday afternoon, provincial CPPCC committee Chairman You Dexin also met with Mr Huang Guohua and his TA KUNG PAO entourage.

Fujian Secretary Addresses Flood Prevention Meeting

HK2106124594 Fuzhou Fujian People's Radio Network in Mandarin 2300 GMT 18 Jun 94

[Text] Since 13 June, Fujian's Nanping, Sanming, Longyan, Ningde, Fuzhou, Quanzhou, and some other areas have been hit by heavy torrential rains and severe flooding. Weather and hydrological forecasts have indicated that most parts of Fujian are expected to be hit by another torrential rainfall and even more severe flooding over the next two to three days.

In view of this situation, the provincial party committee and government yesterday morning called an emergency flood prevention and disaster relief meeting. Provincial

Party Committee Secretary Jia Qinglin delivered a speech, in which he emphatically called for attaching top priority to the safety of the people's lives and property and taking forceful measures to reduce flood losses to a minimum.

The provincial party committee general office and provincial people's government general office jointly issued an emergency circular yesterday, calling for further improving the province's flood prevention and disaster relief work.

The circular stated: All areas in the province should keep close watch over the torrential rain and flooding, should take necessary precautions, should make the necessary preparations, and should strive to reduce flood losses to a minimum losses. Leaders at all levels in the province should become ideologically prepared to combat large-scale natural calamities, including a large-scale flood. The principal leaders at all levels in the province should personally take charge of the on-going flood prevention and disaster relief work, should go deep into each and every flood prevention front, as well as organize and mobilize the broad masses of cadres and people to combat the flood and provide disaster relief.

The circular also urged disaster-stricken areas across the province to more energetically push ahead with the on-going flood prevention and disaster relief work, to take forceful measures so as to resume production as soon as possible, particularly grain production, and to strive for a sustained increase in the province's grain output this year. The relevant departments across the province should waste no time in transporting and delivering relief funds and goods to the disaster-stricken areas to assist flood prevention and disaster relief work. The agricultural, civil affairs, water conservancy, and insurance departments at all levels in the province should also organize and dispatch personnel to the disaster-stricken areas to help grassroots units and people tackle problems and overcome production and livelihood difficulties.

Flooding Halts Railway Service in Fuzhou

HK2006123894 Beijing ZHONGGUO XINWEN SHE in English 1102 GMT 20 Jun 94

[Text] Fuzhou, June 20 (CNS)—Railway service from Fuzhou to elsewhere across the country came to a halt effective at 2 a.m. this morning because there were landslides along the railway lines caused by heavy rain.

Since the mid-June, various places along domestic railway lines within Fujian Province were hit by torrential rain, which was over 180 millimetres on average and up to some 400 millimetres in some places. Landslides because of floods occurred along the Yong'an branch railway line and outbound railway lines between June 17 and 19. Roadbed was undermined, culverts blocked up and tracks buried by mud. The 92-kilometre outbound railway line between Laizhou and Gutian was badly hit since early morning on June 19 when railway service there stopped.

Officials from each section of outbound railway lines went to the scene to direct the flood control and emergency

repair in order to make railway service from Fuzhou to elsewhere across the country resume as soon as possible.

Jiangxi Governor Issues Instructions on Flood Control

HK2106120494 Nanchang Jiangxi People's Radio Network in Mandarin 1100 GMT 20 Jun 94

[Text] Yesterday evening, Provincial Governor Wu Guanzheng, who had just returned from a trip outside the province, visited the Jiangxi Flood Control Headquarters to enquire about the province's flood situation.

After being briefed on the situation of torrential rain, flood, and waterlogging by both Zhang Fengyu, provincial party committee standing committee member and provincial flood control headquarters commander-in-chief, and Liu Zhenming, provincial flood control headquarters deputy commander-in-chief, Governor Wu Guanzheng gave the following important instructions on the province's current and future flood control work:

1. To strengthen flood control work around Ganzhong Dam and Nanchang City by stepping up patrols in and inspections of those areas;
2. Zhangshu City and Fengcheng City should enhance flood control work and take the necessary precautions in order to protect Ganzhong Dam and Nanchang City from flooding;
3. To take immediate action to strengthen flood control and prevention work in the Poyang Lake area.

Governor Wu Guanzheng stated: The rapidly rising water level of Poyang Lake poses a real threat. The city and county leaders in the Poyang Lake area should personally take charge of the flood control work, should strictly implement a flood control responsibility system as well as other responsibility systems to this end, and should do their utmost to protect the local dams.

Governor Wu Guanzheng also gave explicit instructions on the management and operation of some large dams, including Delin Dam, Jiangkou Dam, Hongmen Dam, Shangyoujiang Dam, Wanan Dam, and so on.

After being briefed on the province's flood situation, Governor Wu Guanzheng immediately went to the Nanchang Passenger and Cargo Wharf to attend a flood control meeting called by Nanchang City. He also inspected Nanchang's flood control and disaster relief work.

Jiangxi Secretary Inspects Flooded Xingan County

HK2106120594 Nanchang Jiangxi People's Radio Network in Mandarin 1100 GMT 20 Jun 94

[Excerpts] Provincial party committee Secretary Mao Zhiyong recently visited Xingan County, where he inspected the food and waterlogging situation. [passage omitted]

During his inspection of Xingan County, Secretary Mao Zhiyong emphatically urged the local party and government leaders to stand firm, enhance morale, vigorously

fight the flood disaster, resume production as soon as possible, and strive to successfully accomplish this year's tasks.

At 1900 on the afternoon of 18 June, Secretary Mao Zhiyong arrived at Xingan County in Jian Prefecture and inspected the flood and waterlogging situation. He expressed his sympathy and concern for the local people. In the evening, he was briefed by the Jian Prefecture and Xingan County leaders on Xingan's flood and waterlogging situation and disaster relief work. On behalf of the provincial party committee and people's government, Secretary Mao Zhiyong expressed sympathy and concern for the disaster-stricken Xingan people and extended thanks to the Jian people for their efficient disaster resistance efforts.

He also advanced several important views on Jian's flood resistance and disaster relief work, specifically: 1) To make every possible effort to protect all dams; 2) To waste no time in organizing local people to drain waterlogged fields and save more rice seedlings; 3) To organize local people to make the necessary preparations in order to resume production as quickly as possible; 4) To mobilize local people to step up field management, protect rice seedlings, prevent plant diseases, and eliminate insect pests in order to reduce losses caused by flood and waterlogging to a minimum; 5) To strive to protect grain production and increase the peasants' income; 6) To concentrate efforts and resources on flood resistance and disaster relief work; 7) To enable enterprises with sufficient electricity supply to operate at full capacity; 8) To brace up, enhance confidence, and bravely face difficulties; 9) To show more concern for the local people's livelihood, help local people overcome difficulties, and further mobilize the local people's enthusiasm; 10) To work hard and strive to successfully accomplish this year's tasks.

At 0600 in the early morning of 19 June, Secretary Mao Zhiyong also visited Gandong Dam and inspected the flood situation there. [passage omitted]

Shanghai's Baoshan Steel Plant Imports Technology

OW1806140994 Beijing XINHUA in English 1403 GMT 18 Jun 94

[Text] Shanghai, June 18 (XINHUA)—Five foreign companies have won bids for supplying the latest technology to the Shanghai Baoshan Steel Plant for manufacturing a 1,420-mm cold rolling production line.

Three companies are from Germany, one from Japan and one from the United States. They include the German firms of Siemens and Schloemann-Siemag Aktiengesellschaft and the Nippon Steel Corporation of Japan.

An official of the modern plant said that, instead of importing a whole set of the technology and equipment, the plant will mainly import the latest technology and cooperate with these companies in design and manufacturing of the equipment.

According to the official, the plant will build three sets of cold rollers to produce cold-rolled steel plates, tin-plated plates, electrical steel and silicon steel plates.

The agreement signed here today includes manufacturing of a cold roller mill with an annual capacity of 70,000 tons of 1,420 mm tin-plated sheets ranging 0.18-0.55 mm in thickness.

Li Zemin, Wan Xueyuan Participate in Flood Fighting

OW2206023494 Beijing XINHUA Domestic Service in Chinese 1102 GMT 21 Jun 94

[By reporter Wu Xiaobo (0702 2556 3134)]

[Text] Hangzhou, 21 Jun (XINHUA)—Since the start of the rainy season, heavy and at times torrential rain has fallen in Zhejiang Province, causing flooding. Provincial party committee and government leaders, including secretary Li Zemin and Governor Wan Xueyuan, have gone to the frontline to direct rescue operations and the fight against the flooding. Throughout the province a million cadres and people are participating in the flood-fighting struggle to save themselves and rebuild their homes.

Heavy to torrential rainfall has hit Zhejiang since 8 June, with more than 300 mm falling in 80 percent of the province and more than 500 mm in 10 percent of the province. Throughout the province rivers and the river network on the plain rose beyond the warning level, causing flooding. Along the Qiantang Jiang and Puyang Jiang, in particular, flood waters have risen to super-dangerous level three times in 10 days.

According to preliminary figures, at present 925 villages and towns and 6.19 million mu of farmland throughout the province have been damaged by floods. About 1 million mu of this farmland had not been harvested. About 30,200 houses have collapsed and 8,600 factories have been forced to suspend production or operate at half capacity. A number of water conservation projects and highway bridges have also been destroyed.

Various localities and departments in Zhejiang have demonstrated the spirit of collectivism, heeding unity and taking the overall interest into consideration, in their rescue work and flood fighting.

For 11 years the Xinanjiang Hydroelectric Power Station, the first giant hydropower station built by New China, has not opened its sluices to release flood waters. To reduce economic losses in the Hangzhou-Jiaxing-Huzhou plain as much as possible, the provincial government decided on 14 June to open the sluices and release flood water. The flood water flowed safely into the sea after local cadres and the masses completed work to strengthen the dam, clearing obstacles, and relocating residents as quickly as possible.

The sluices of the Xinanjiang Reservoir have been opened twice so far to release flood waters, playing a pivotal role in water control.

The province has decided to urgently arrange the distribution of 50 million kg of grain from its reserve, as well as some diesel oil, chemical fertilizer, and other materials to help flood-stricken areas.

Central-South Region

Guangdong To Promote Growth of Real Estate Market

OW1606142494 Beijing XINHUA in English 1334 GMT 16 Jun 94

[Text] Guangzhou, June 16 (XINHUA)—Ou Guangyuan, deputy governor of south China's Guangdong Province, said here today that Guangdong is to promote the development of real estate market and the construction of development zones.

Speaking at a ceremony entitled "China (Guangdong) First Program Week To Promote Real Estate and Development Zones," the deputy governor said that Guangdong will continue its efforts to improve its investment environment and to deepen the reform of the land use system so as to bring the role of land assets into full play in economic development.

Yuan Zheng, director of the Guangdong Land Resources Department, said that the program week is aimed at academic exchanges, theoretic research, business project talks and real estate transactions.

In 1993, the land on which Guangdong transferred land-use rights amounted to 15,000 hectares and brought an income of 1.1 billion yuan.

Foreign funds that Guangdong has gotten from its land market accounted for 42 percent of the total last year.

The program week is jointly sponsored by China Land Asset Promotion Society, Guangdong Land Society and Guangzhou Real Estate Association.

During the program, a symposium on the reform of land-use system will also be held with the participation of the delegates of 18 provinces and regions.

Shareholding Offshore Oil Company Set Up in Guangdong

OW1906034294 Beijing XINHUA in English 0140 GMT 19 Jun 94

[Text] Guangzhou, June 19 (XINHUA)—The Shenzhen Ocean Oil and Gas Co. Ltd, the first share-holding offshore oil enterprise in China, has been set up in Zhanjiang City in south China's Guangdong Province.

The company was established on the basis of the former Huayang Industrial Company of the China Marine Petroleum South China Sea West Corporation and its Shenzhen office.

With 20 million yuan in registered funds and over 80 million yuan-worth of shares, the newly-established company will engage in processing crude oil, trading in oil

products, handling real estate, running hotels, handling tourism, financial and securities business, construction and repair of marine oilfield equipment, transportation of marine oil and shipbuilding.

The company's shares are divided into state-owned shares, legal entity shares, corporate aggregate shares and shares held by employees of the company.

The western part of the South China Sea area has proved to be rich in natural gas resources. Its total reserve of natural gas is estimated at 1.444 billion cu m, accounting for one third of the country's total reserves of natural gas.

Experts note that the new company will help accelerate the opening up of the natural gas fields in the western part of the South China Sea.

Shenzhen To Strengthen Border With Hong Kong

HK1806073094 Hong Kong EASTERN EXPRESS in English 18 Jun 94 p 1

[By Bruce Gilley]

[Text] Shenzhen has been given two years to strengthen border defences and boost popular support for the military in the lead-up to the handover of Hong Kong in 1997, according to an official report. Beijing is believed to share fears in the territory that a flood of mainlanders will flock towards Hong Kong after the handover.

Growing friction between people and soldiers in Shenzhen are also a source of unease in Beijing. The government fears that this friction will be repeated in Hong Kong because the same units are to be deployed in the territory.

China's Defence Ministry has authorised a huge outlay in cash and loans to expand military bases in the special economic zone and the adjacent Bao'an district. The executive vice-mayor, Wang Zhongfu, revealed the plans in remarks made on Tuesday, according to extracts of the speech carried in the Shenzhen Special Zone Daily.

"Our aim should be to consolidate national defences and foster a stable social and economic environment," he said. Over the next two years, border defences would be strengthened "to take into account Shenzhen's special location and historical mission".

In the past three years, more than 78 million renminbi (HK\$69.3m [Hong Kong dollars]) in funding and 190,000 square metres in additional land have gone into strengthening military bases in Shenzhen.

An additional Rmb20m [renminbi] would be lent this year by the city for new military training centres, one of them at the Pinghu district base.

In a sign that Beijing may be planning to increase the number of troops stationed in Shenzhen, Wang said finding jobs for families accompanying new soldiers would be a big task. A total of 598 spouses of soldiers had been given jobs in city departments over the past three years, and 380 children of soldiers placed in schools.

Citizens drafted into military service would be given a "complimentary salary" of Rmb2,000 per year, 16 per cent more than draftees were paid in 1991. Wang's speech was made after Beijing declared Shenzhen a "double support model city" on June 3.

"Double support" refers to attempts by Beijing since the Tiananmen Square massacre to blunt popular dislike of the military through a series of activities which espouse mutual support between civilians and bureaucrats on the one side and soldiers on the other.

"With the handover of Hong Kong coming closer, carrying out 'double support' work well...will be beneficial for the convergence of Shenzhen and Hong Kong," Wang said. He said clashes between soldiers and civilians in Shenzhen, most of which occurred outside military bases, must be "cut off at the bud".

"Our work still leaves a certain amount to be desired," he said. "We cannot be satisfied with the present situation and just sit on our haunches."

To improve living conditions for soldiers, food allowances will be boosted by Rmb30 a month.

Guangxi Party Chief Urges Donations for Flood Areas

HK2206075094 Nanning Guangxi People's Radio Network in Mandarin 1130 GMT 20 Jun 94

[Text] After the regional party committee and government held a 17 June meeting of leading cadres of departments directly under the jurisdiction of the regional government to make arrangements for flood fighting and relief work, the general offices of the regional party committee and government held another such meeting on the afternoon of 20 June to make further arrangements for flood fighting and relief work, at which regional government General Secretary (Liu Xianye) transmitted the regional party committee's suggestions for calling on departments directly under the jurisdiction of the regional government to support the flood fighting and relief work effort. Deputy Secretary General (Pan Hongquan) made specific arrangements for the offering of donations for flood-stricken areas.

The meeting urged departments directly under the jurisdiction of the regional government to exert great efforts and make great contributions in the current donation activities. This will help solve some problems. While actively taking the lead in donating money and goods, leading cadres of departments directly under the jurisdiction of the regional government should earnestly mobilize cadres, staff members, and workers to do their utmost to donate money and goods. All units should try their best to distribute fewer bonuses and subsidies and to take some money from earnings outside the plan for donations for flood-hit areas. Enterprises that achieve good economic results should be mobilized to make contributions in helping the flooded areas with their donations. Donations

of clothing, mosquito nets, quilts, and daily necessities, which are currently badly needed by flood victims, should be mobilized first.

According to the two general secretaries, the regional leading comrades, including regional party Secretary Zhao Fulin, have indicated that provincial leading cadres at the deputy level and above will donate 500 yuan or so each. Moreover, the offices of the regional party committee and government have stated that they will donate 300,000 yuan each.

Guangxi Fights Against Drug, Gun Trafficking

HK1906050094 Beijing ZHONGGUO XINWEN SHE in English 0348 GMT 18 Jun 94

[Text] Nanning, June 18 (CNS)—The Director of the Public Security Bureau of the Guangxi Zhuang Autonomous Region, Mr. Lin Chaoqun, said here that remarkable achievement had been made in the Region's campaign against drug and gun trafficking.

Mr. Lin said during the period from June of last year to May this year, the Region had uncovered 5008 drug cases, more than 500 of them being big cases. Over 700-kilogram opium, 120-kilogram heroin, 16-kilogram caffeine and RMB [renminbi] 2.4 million gained from drug trafficking had been seized. Some 189 cases of gun trafficking had been also uncovered with 346 guns, 8200 rounds of ammunition as well as over 360 grenades, flashlights and mines seized.

Special efforts must be made in areas teeming with such illegal activities. The areas, according to Guangxi, include frontier area connecting the Region with Vietnam, the juncture between the Region and Yunnan Province, Guizhou City and Guangdong Province. Hubs of communications in the Region such as Nanning City, Liuzhou City and Wuzhou City as well as the important communication lines and districts along these lines.

It was reported that drug taking situation in the Region had been rampant with drug market there expanding. According to the authoritative statistics, drug addicts in the Region have reached nearly 40,000 in number covering 6 cities, 8 prefectures and 79 counties there. A special campaign against drug underground market has been staged in Nanning, Liuzhou, Wuzhou and Beihai at present to curb drug addiction. In frontier areas, more than 250,000 opium poppies have been rooted out.

Serious punishment had been imposed on criminals engaging in drug and gun trafficking. From June of last year till May this year, among 326 criminals arrested, 209 of them had been sentenced to different terms of imprisonment with 16 of them sentenced to death, 11 sentenced to suspended death and 21 to life imprisonment. On June 26 this year, the international day for banning drugs, another batch of criminals will be put to death in the region.

Mr. Lin said drug trafficking cases in the Region had been increasing. In the former five months this year, such cases had increased by 60 percent than the same period of last

year and heroin seized doubled that in the same period of last year. Therefore it would be still an arduous task for the Region to handle such problems.

Hainan Governor Presents Yangpu Land Use License

HK2106023594 Hong Kong ZHONGGUO TONGXUN SHE in Chinese 1205 GMT 11 Jun 94

[Text] Haikou, 11 Jun (ZHONGGUO TONGXUN SHE)—In Haikou a few days ago, Governor Ruan Chongwu, secretary of the Hainan Provincial CPC Committee, officially presented a license for the use of state-owned land in the Yangpu Economic Development Zone to Mr. Yue Yuen-ping, chairman of the board of the Hainan Yangpu Land Development Company Limited.

According to the relevant provisions of the license, the user of the land, covering 27,353 square km in Yangpu Economic Development Zone, is the Hainan Yangpu Land Development Company Limited; the tenure is 70 years (from 26 December 1992 to 26 December 2062); and the whole area is to be developed through construction projects. Moreover, in the remarks column of the license, the limits and scope of land use right, the method of transferring land use right, and the method of handling changes in conduct also are explicitly stipulated. The license holder owns the largest development land area and has the most special development pattern in China.

To accelerate the development of Yangpu, in an official, written reply issued the other day, the Hainan Provincial Government explicitly called on the Yangpu Land Development Company to earnestly fulfill the provisions laid down in the "Contract of Transfer." In line with the requirements of overall planning, the latter should ensure that within 15 years after the acquisition of land use right, it will invest a total of 18 billion Hong Kong dollars in the construction of public facilities, and in particular, should invest 10 billion Hong Kong dollars in the first five years. Meanwhile, in accordance with the "Contract of Transfer" and the many previous commitments of Kumagai Gumi (Hong Kong) Limited, it should speedily sign special contracts or agreements with the departments concerned on the resettlement of residents and on the construction of water, electricity, and other government public facilities in Yangpu Economic Development Zone.

Mr. Yue was very pleased to receive the license. He said: The issuance of the state land use right license has provided a just and rational legal basis and force to land holding in Yangpu Economic Development Zone, and has made it convenient for the license holder to invite investment. He said the company will boost the development of Yangpu in the near future by paying effective attention to such issues as removal, resettlement, water, electricity, communications, and invitation of investment.

Henan Rules on Arrangements for Ex-Convicts

HK2006020094 Zhengzhou HENAN RIBAO in Chinese 20 May 94 p 7

[Henan Provincial Interim Regulations on Arrangements for Placement and Education of Persons Who Have Been

Released After Serving Their Sentences and Persons Who Have Been Released From Re-education Through Labor (Adopted at the Fifth Meeting of the Standing Committee of the Seventh Henan Provincial People's Congress on 1 September 1988, and Revised in Accordance With the 'Decision Concerning the Revision of "Henan Provincial Interim Regulations on Arrangements for Placement and Education of Persons Who Have Been Released After Serving Their Sentences and Persons Who Have Been Released From Re-Education Through Labor" Made at the Seventh Meeting of the Standing Committee of the Eighth Henan Provincial People's Congress on 28 April 1994"')]

[Text] Article 1. These regulations have been specially formulated in accordance with the Constitution, laws, and administrative rules and regulations, and in light of the actual situation in our province, in a bid to make better arrangements for the placement and education of persons who have been released after serving their sentences and persons who have been released from re-education through labor, to safeguard social order, and to benefit the building of the socialist material and spiritual civilizations.

Article 2. Arrangements for the placement and education of persons who have been released after serving their sentences and persons who have been released from re-education through labor are important measures in bringing about a comprehensive improvement in social order, and are the due responsibility and obligation of state organs, social organizations, enterprises, establishments, neighborhood offices, and residents' (villagers') committees.

People's governments at all levels should strengthen leadership over arrangements for the placement and education of persons who have been released after serving their sentences and persons who have been released from re-education through labor, and should organize the public security, judicial, planning, economic, labor, personnel, education, civil affairs, agricultural, grain, industrial, commercial, and other departments concerned to jointly do a good job in making arrangements for placement and education.

Article 3. The principle of "giving one a chance" should be adhered to in making arrangements for the placement and education of persons who have been released after serving their sentences and persons who have been released from re-education through labor. They should be given opportunities for study, work, and labor, and their legitimate rights and interests should be protected. Persons who have been released after serving their sentences and persons who have been released from re-education through labor should energetically look for jobs in accordance with state laws, policies, and regulations.

Article 4. State organs, enterprises, and establishments that need more people for their work and have additional or vacant posts to fill may employ those persons who have been released after serving their sentences who did a good job in reforming themselves through labor and who have

acquired considerable professional knowledge or production skills, provided they pass the recruitment examinations.

Article 5. Arrangements for the placement of persons who have been released after serving their sentences and whose status as a staff member or worker has been retained are to be made by the units for which those persons originally worked; arrangements are to be made by merged units or units that have become independent if the original units have been merged or have become independent; and arrangements are to be made by the state in accordance with the regulations concerned if the original units have been disbanded or gone bankrupt.

Wages and other kinds of remuneration after placement are to be reappraised and fixed by the units that make the placement in accordance with the actual professional ability and technical level of the persons concerned, and years of service are to be calculated in accordance with the regulations concerned.

Article 6. Persons who have been released after serving their sentences and whose status as a staff member or worker has not been retained can be employed like other unemployed personnel in society if they pass the recruitment examinations given by recruiting units; priority can be given to those with certificates showing that they did a good job in reforming themselves through labor and who meet one of the following requirements:

1. Graduates of institutions of higher learning or secondary technical schools, former science and technology personnel, or former well-trained technical personnel—as proved by examinations—who have committed ordinary crimes;
2. Those who committed unpremeditated crimes and crimes of dereliction;
3. Those who committed ordinary crimes as a first offense, whose crimes were not serious, and whose sentences were less than three years;
4. Those who have rendered major meritorious service while serving their sentences.

Article 7. Arrangements for the placement of persons who have been released from re-education through labor and whose status as a staff member or worker has been retained are to be made by the units for which those persons originally worked; arrangements are to be made by merged units or units that have become independent if the original units have been merged or have become independent; and arrangements are to be made by the state in accordance with the regulations concerned if the original units have been disbanded or gone bankrupt.

Article 8. Arrangements for the placement of persons who have been released after serving their sentences and persons who have been released from re-education through labor if their status as a staff member or worker has been retained should conform with the relevant stipulations of the state personnel and labor systems.

Article 9. If it has been arranged for persons who have been released after serving their sentences and persons who have been released from re-education through labor to work in state organs, or in state or collective enterprises and establishments, they should go along with these arrangements; if they refuse to go along, the units in charge of making the arrangements are not to make other arrangements.

There is to be a probation period of one year for all persons who have been released after serving their sentences for whom it has been arranged to work at state organs, or at enterprises and establishments owned by the state or collectives.

Article 10. Persons who have been released after serving their sentences and persons who have been released from re-education through labor, if they were originally unemployed residents in towns and cities, or if their status as a staff member or worker has not been retained, are to register for employment with the neighborhood offices where their residence is registered. They are to be treated the same as ordinary unemployed personnel and are not to be discriminated against. Labor departments or neighborhood offices, in accordance with current policies, should widen channels for employment and adopt various forms to make arrangements for such people. Encouragement and support should be given to those who want to become self-employed businessmen, and industry and commerce administrative departments are to issue business licenses for them in accordance with the relevant regulations.

Article 11. Persons who have been released after serving their sentences and persons who have been released from re-education through labor, if they originally belonged to the agricultural population, are to be received by the people's governments of townships (towns), and the villagers' committees of villages where their residence is registered, and arrangements should be made for them. They are to be treated the same as other villagers.

While serving their sentences or receiving re-education through labor, the contracts or management of their responsibility plots (slopes) and their plots of land (slope) for personal needs normally are to be continued by their relatives. If they do not have relatives, the land and slopes are to be kept in reserve by villagers' committees so that timely and appropriate arrangements can be made when they are released after serving their sentences or after receiving re-education through labor. If their land and plots are taken back, villagers' committees are to help them solve the problem when they are released after serving their sentences or after receiving re-education through labor.

If persons who have been released after serving their sentences and persons who have been released from re-education through labor do not have production tools or housewares, their relatives can help them solve the problem. If they do not have relatives, the people's governments of townships (towns), and the villagers' committees of villages where their residence is registered are to help them solve the problem.

Article 12. Houses, production tools, housewares, and other legitimate property of persons who have been released after serving their sentences and persons who have been released from re-education through labor—if they were taken away by others while such persons were serving their sentences or receiving re-education through labor—are to be returned to them, and in case of any damage, compensation is to be made by those who took such articles.

Article 13. Persons who have been released after serving their sentences and persons who have been released from re-education through labor, if they are old, weak, sick, or disabled, and can no longer work, are to be supported, provided for, or brought up by their relatives who have the obligation to do so under the law. Regarding those who really have no one to turn to and who have no source of income, the people's governments of the places where their residence is registered are to help them solve the problem according to the social relief regulations concerned or are to provide them with appropriate subsidies for subsistence.

Article 14. Persons who have been released after serving their sentences and persons who have been released from re-education through labor should be allowed to resume schooling if they were originally students in school, meet the age requirements for schooling, have good conduct, and pass the relevant examinations.

Parents or guardians of persons who have been released after serving their sentences and who are below 16 years of age and have not completed nine years of compulsory education are to apply for them to enter schools in accordance with Article 5 of the "Procedures for the Implementation of Compulsory Education in Henan Province," and the schools concerned are to admit them.

Persons who have been released after serving their sentences and persons who have been released from re-education through labor can apply on their own for entrance examinations for institutions of higher learning, secondary technical schools, vocational schools, or spare-time schools in accordance with relevant state regulations provided they have records of formal schooling or the equivalent. Those who meet the requirements for enrollment are to be enrolled by the schools concerned.

Article 15. The residence registration and grain supply of persons who have been released after serving their sentences and persons who have been released from re-education through labor are to be handled in accordance with the relevant regulations.

Article 16. Reform through labor organs and re-education through labor organs are to make separate appraisals of the conduct of persons who have been released after serving their sentences and persons who have been released from re-education through labor while they were serving their sentences or receiving re-education through labor, to complete forms on their discharge from prison or release from re-education through labor, and to transfer them to police

stations in the places where it has been arranged for the released persons to settle down. They also should properly make visits to these persons.

Article 17. Organs, organizations, enterprises, establishments, neighborhood offices, and residents' (villagers') committees should establish and perfect systems and measures to help and educate those persons who have been released after serving their sentences and persons who have been released from re-education through labor whom they employ or take care of; strengthen ideological and political education, education on the legal system and discipline, and education on socialist ethics among the released persons; help them solve practical problems in work, study, and livelihood; and strive to do a good job in changing their ideology.

Public security organs should strengthen guidance over the work of helping and educating persons who have been released after serving their sentences and persons who have been released from re-education through labor.

Article 18. Persons who have been released after serving their sentences and persons who have been released from re-education through labor are to consciously accept the help and education offered by the units for which they work, by local police stations, by neighborhood offices, and by residents' (villagers') committees; to strengthen study of policies and laws; set strict demands on themselves; observe discipline and abide by law; respect and love themselves; and strive to become qualified builders of socialism.

Article 19. Departments, units, and individuals that achieve remarkable results in implementing these regulations are to be commended and awarded by people's governments and departments concerned at various levels.

Article 20. The power of interpretation of specific application of these regulations is vested in the Henan Provincial People's Government.

Article 21. If other regulations previously in force in the province are discovered to be in contravention of these regulations, these regulations are to prevail.

Article 22. These regulations come into force on the date of their promulgation.

Hunan Party Chief Addresses Provincial Meeting

HK2206062194 Changsha Hunan People's Radio Network in Mandarin 2300 GMT 18 Jun 94

[Text] From 16 to 18 June in Zhuzhou, a provincial party school meeting was held, the dominant theme of which was to conscientiously implement the spirit of the national party school work conference with Comrade Deng Xiaoping's theory of building socialism with Chinese characteristics and the spirit of the party's 14th National Congress and the Third Plenary Session of the 14th CPC Central Committee as guides, study and solve new developments and problems facing party school work in the new situation in light of the realities in the province, further achieve

unity in understanding, strengthen leadership, comprehensively deepen educational reform in party schools, and open up a new situation in the province's party school educational work.

Provincial party Secretary Wang Maolin and provincial party Deputy Secretary Yang Zhengwu addressed the meeting. Luo Haishan, Standing Committee member of and director of the organization department of the provincial party committee attended the meeting.

In his speech, Comrade Wang Maolin stressed: In the new situation of establishing a socialist market economic structure, the vast numbers of party members and cadres must study anew. What is most fundamental and important to study well is Comrade Deng Xiaoping's theory of building socialism with Chinese characteristics. He expounded on the great significance of further bringing the role of party schools into play in three ways—upholding and consolidating the party's status as a ruling party, training qualified people who can cross into the next century, and improving the quality of our province's cadre ranks.

In his speech, Comrade Yang Zhengwu pointed out: Striving to run party schools well is a strategic measure to strengthen party building and the building of cadre ranks. Party committees at all levels must strengthen leadership over party school work, open up a new situation in the province's party school work, and make fresh contributions in promoting Hunan's reform and development.

Southwest Region

Relations Between Reform, Contradictions in Sichuan

HK1906051194 Chengdu SICHUAN RIBAO in Chinese 3 Jun 94 p 1

[Editorial: "Relying on Deepening Reforms To Solve Problems Arising in Reforms—On Relations Between Deepening Reforms and Handling Contradictions Among the People"]

[Text] Reform means self-improvement and self-development of our socialist system. In accordance with the requirements of the development of productive forces, it naturally will adjust the patterns and relationships of interests among various quarters. Therefore, it inevitably will bring about many contradictions. Today, in particular, when our reform has been in full swing and has entered the stage of effecting a major breakthrough, new reform measures have touched, or will touch upon the depths of relations of social interests quite extensively. This inevitably will cause more and more complicated contradictions. Compared with the past, the present contradictions among the people are more conspicuous, widespread, and complicated. We should say that this is a normal phenomenon that demonstrates a new economic system full of vigor and vitality. It is advancing more rapidly to replace the old economic system, which trammelled the development of productive forces.

Therefore, in the fact of many complicated contradictions, we must neither feel puzzled nor shrink back. We must realize that the old system not only trammled the development of productive forces and adversely affected the improvement of the people's living standards, but also distorted interest relationships in many aspects. This fostered discontent among the broad masses of people. Under the old system, contradictions among the people not only existed extensively, but also faced the possibility of being intensified at all times. Therefore, at a glance, with the deepening of reform, there are more and more acute contradictions among the people. Actually, our production relations and superstructure have become more suitable to the development of productive forces. Distorted interest relationships among various quarters and collectives are being straightened out. Unity between the state and the people, between the central and local authorities, between various departments, between various units, and among the masses is being strengthened. Facts have shown that reform is beneficial to the stability of our country, social progress, and unity of the people. Therefore, no matter how enormous the contradictions we encounter, we must be firm and unshakable in deepening reform, and must rely on deepening reform to solve problems arising in reform. This is our basic idea for handling contradictions among the people.

Why should we rely on deepening reform to handle contradictions among the people? This is because complicated contradictions among the people which have been brought about by deepening reform are contradictions based on identical interests of the masses, and contradictions arising in social progress. However, if we fail to handle them in a timely fashion, there might be negative results. Those nonantagonistic contradictions might even become antagonistic contradictions. Leading organs and cadres at all levels must attach importance to this matter, and must work conscientiously and seriously to handle it well.

First, we must never waver in persisting in deepening reform. In the meantime, we also must control well the weight and pace of reform, so that they conform with the capability of the state, society, enterprises and the masses. This will enable us to limit to a controllable scope the impacts and frictions occurring in the course of replacing the old system with the new.

Second, reform is a large and systematic social project. Various reform measures are mutually linked with and constrain each other. If we fail to attach importance to coordination, cooperation and mutual care, we tend to deepen reform in isolation, or feel it difficult to advance or to retreat. This will trigger thorny social problems. For instance, in reforming our labor and employment system without the establishment and improvement of our social insurance system, it will be difficult for us to take a big step. If we act rashly, we are liable to lose more than we gain. Let us take another example. If enterprises fail to make marked progress in transforming their operational mechanisms, it naturally will be difficult to turn several large state-owned banks into genuine commercial banks. If we move too fast, we might possibly "strangle" a number

of enterprises that originally stood a very good chance of success in invigorating themselves. The examples cited above tell us the truth: While promoting reform, we must adopt an overall point of view to control well its progress and weight, so that we can act in tacit agreement to advance reform in a coordinated manner. In so doing, we can ease up many contradictions, and avoid their intensification. This will make the work of handling them easy.

Third, it is necessary for us to do thoroughgoing and painstaking ideological work. The reform we are carrying out proceeds from the greatest interests of the broad masses of people. If we view adjustment of interest relationships and the redistribution of certain power in an isolated way, we might think that some people gain more than they lose, or vice versa. As a whole, however, our success in reform will greatly emancipate and develop our country's social productive forces, and will vigorously arouse the enthusiasm of our entire people. This will enable our motherland to become strong and powerful more quickly, and enable our people to improve their livelihood. Our people are always reasonable. As long as we can state the reasons clearly, they not only can fully understand certain inconveniences and difficulties brought to some of them by contradictions arising in the present-day reform, but also can actively help the government solve these contradictions, and be of one heart and one mind to push forward our great cause of socialist reform.

Sichuan Paper on Leading Cadres' Workstyle

*HK2106031994 Chengdu SICHUAN RIBAO in Chinese
13 Jun 94 p 1*

[Editorial: "Leading Cadres Must Shoulder the Important Task of Handling Well the Contradictions Among People—On Relations Between Improving Leading Cadres' Workstyle and Handling Well the Contradictions Among People"]

[Text] At present, handling well the contradictions among the people under the new situation is of primary importance to deepening reform, promoting development, and stabilizing the general situation. To leading organs and leading cadres in particular, doing this work well has something to do with their method of work. However, what is more important is that they must further enhance their understanding and improve their work style. They must devote their vigorous efforts to these two kinds of work in order to achieve actual results.

Under the new situation of deepening reform, and accelerating the establishment of the socialist market economy system, owing to the fact that the adjustments and changes in interest relationships, uneven economic development, and changes in superstructure and concepts have conflicted with certain understandings and habits of the masses, many new contradictions taken shape among the people. These contradictions cannot be mentioned in the same breath as previous ones in terms of scope, degree, and complexity. Whether we can solve these contradictions well is a matter for concern in the general situation of

reform, opening up, and socialist construction. Leading cadres at all levels must truly grasp this work well and treat it as a matter of primary importance.

To do this work well, leading cadres must further cultivate their workstyle of opposing corruption, advocating honesty and cleanliness, and overcoming bureaucracy. This is an important aspect in easing contradictions among the people. At present, what the masses in some localities complain about most is the failure of a handful of cadres to be clean and honest in their government administration, as well as their seriously bureaucratic workstyle. Many conflicts of interest have become complicated, or even antagonistic because of this. Therefore, enhancing understanding, devoting main efforts to solve the problem of failing to become clean and honest in government administration, taking the initiative to shoulder the responsibility of handling well the contradictions among the people are the vital issues leading cadres must solve.

First, it is necessary to set up correct relations between public servants and masters, always assign the interests of the masses a most important position, and bear in mind at all times the purpose of serving the people wholeheartedly. If we fail to set up such correct relations and to improve cadres' workstyle, the correctness of our policy decision and guideline for handling relations among the people, and the actual results of our problem-solving work will be affected. The masses are reasonable. As long as leading cadres respect them, are fair and selfless, and work for the masses wholeheartedly, they will win the support of the masses. Various kinds of contradictions will be mitigated. Some problems cannot be solved temporarily, owing to restrictions imposed by conditions. However, as long as the masses are aware of the real situation, they will make allowances for it. On the contrary, if leading cadres are not clean and honest in their government administration, or are filled with bureaucratic airs, or ride roughshod over the masses, or adopt a stiff and rude manner, this naturally will cause discontent among the masses. It will not be easy to solve contradictions, which might even become intensified. In the course of reform and opening up, it is not a terrifying thing to see that the number of contradictions has increased, and that they have become more complicated. What we are afraid of is that leading cadres are not clean and honest in their government administration, and are swollen with bureaucratic style.

Second, the key solution to overcoming leading cadres' defects of not being clean and honest in their government administration and of being swollen with bureaucracy, as well as the solution to handling well the contradictions among the people lies in reform. Comrade Deng Xiaoping pointed out: It is true that bureaucracy originated from cadres' ideological workstyle, but what is more important is that it is originated from our own systems. Owing to the overconcentration of power, leading organs at all levels have managed to handle things "they must not handle, or cannot handle well, or that are outside their concern." This is the "general root-cause" of all our bureaucracy. The various kinds of reforms we have been carrying out over

the past 10 years or so—such as delegating power, streamlining organs, improving the responsibility system, and transforming the cadre system—actually are revolting against bureaucracy. Many contradictions among the people are solved precisely in such "revolts." In the future, therefore, we must continue to speed up the process of reform, and bring the improvement of leading cadres' workstyle and handling of contradictions among the people into the orbit of democracy and the legal system. We must let our people truly exercise the power conferred on them by the Constitution and the law. Whenever we take important measures, we must consult with the masses. Leading cadres must place themselves under the supervision of the broad masses of people. We must enhance the concepts of the cadres and masses regarding the legal system. No matter what kinds of contradictions and problems, they can be solved only within the scope of the laws, decrees, and systems of the state. In so doing, we not only can effectively overcome certain leading cadres' bureaucracy, but also effectively prevent a certain anarchism among the masses, so that contradictions among the people can be solved correctly and properly. At present, like the whole country, the situation in our province is favorable. On the road of advance, however, there are still some difficulties and problems. We must attach great importance to them, and never treat them lightly. Leading cadres at all levels—and main leading cadres, in particular—must solve prominent local problems in person, do ideological and political work well, unite with the masses, make joint efforts to maintain our stable political situation, and create a fine social environment so as to accelerate the establishment of the socialist market economy system, and to ensure the sustained, rapid, and healthy development of our national economy.

Tibet Makes Native Language Compulsory Subject

OW2106162594 Beijing XINHUA in English 1520 GMT 21 Jun 94

[Text] Lhasa, June 21 (XINHUA)—The teaching of the Tibetan language in the Tibet Autonomous Region has become a compulsory course in all schools here, using unified textbooks.

Local officials said that efforts to popularize the language began a decade ago when the central government stressed the importance of preserving and developing national minorities' cultures, during an ethnic work conference.

Xigaze, the second biggest city in Tibet, is typical of the language teaching in the whole region.

At that time, the city was badly in need of Tibetan language teachers, and the local government employed people from the public, including some lamas from the monasteries.

Cendo, who is now 53 years old and used to be an ordinary lama in the well-known Zhaxi Lhunbo Lamasery, has become a senior lecturer in the highest teaching institute around the entire Xigaze area—the Xigaze Teachers' School.

The college is responsible for training teachers for local primary schools, especially Tibetan language teachers.

"Compared with other courses, Tibetan language teaching is being given more weight," said Cewang Doje, the college's head.

Seven of the teachers in its Tibetan teaching group are Tibetan language graduates from Tibet University. Since 1981, all the Tibetan teachers with the group have been gathering once a week in order to raise their teaching abilities.

Every semester, the group selects several teachers to give public classes for other teachers' appraisal.

More than 90 percent of the graduates from this teachers' college have been found to be capable of teaching the Tibetan language in the first to sixth grade in primary schools, and some can be selected to teach at secondary schools.

More and more young people in Tibet are now willing to do their best to revitalize their own native language.

Zhamdui, after senior high school, had been enlisted in the Tibetan Language Department of Tibet University and has been in the teachers' school for five years after his graduation.

"Tibetan is our native language, so we must master it well so as to hold on to and develop our fine cultural traditions," the young man said.

Tibet Initiates 8 Key Construction Projects

OW2206024594 Beijing XINHUA in English 0236
GMT 22 Jun 94

[Text] Lhasa, June 22 (XINHUA)—Tibet has just started eight major construction projects in three river valleys—those of the Yarlung Zangbo, the Lhasa and the Nyangqu—as part of efforts to boost the economic development of this underdeveloped autonomous region.

With an investment of 222.8 million yuan so far, these projects, to be completed in two to three years, are mainly small and medium-sized ones in agriculture, water conservancy, forestry and technology-related industries needing relatively small investment but promising quick returns.

The projects underway are two bridges, two reservoirs, two power stations and two power transmission lines.

A local official said that Tibet plans to start a total of 58 construction projects with an annual investment of 167.5 million yuan this year as part of the three-rivers comprehensive development program.

According to him, the central and regional governments will invest 2.1 billion yuan in the ten-year program, which is expected to boost the total industrial and agricultural output value of the valleys from 840 million yuan in 1990 to 1.724 billion yuan in the year 2000.

Lhasa Customs Office Achieves Marked Results

OW1706143994 Lhasa Tibet People's Radio Network in Mandarin 1400 GMT 16 Jun 94

[Text] Over the past eight years and more, the Lhasa Customs Office has conscientiously carried out the guiding spirit of the national meeting on cracking down on smuggling and, in the light of realities in our region, launched an antismuggling campaign. As a result, it has scored marked achievements and made contributions in safeguarding the reform, opening up, and economic development in our region.

In accordance with the statistics, since 1985, the Lhasa Customs Office has achieved the following results: It has handled 4,300 smuggling cases, involving 106 kilograms of gold, 4,450 pieces of cultural relics, 2.4 kg of opium, and 900 grams of heroin. At one of its surveillance zones, 122 kg of marijuana was once ferreted out, the largest crack down in the country. A total of 3,660 pelts of rare and endangered animals; 900 cheetah pelts; 205 kg of rare and valuable Chinese medicines, such as Chinese caterpillar fungus and musk; and 1,770 pieces of leopard and tiger bones, with a value of 29 million yuan, have been ferreted out. In addition, a large batch of reactionary printing materials, 14,000 pieces of audio-video products, and 26,000 pieces of pornographic products have been tracked down. The office has contributed to removing spiritual pollution.

In their struggles against smuggling, the anticontraband personnel of the Lhasa Customs Office, under the leadership of the party organization of the customs office and with help from public security organs, have made arduous efforts that require both wisdom and bravery. They have written glorious chapters of cracking down on smuggling in the borders of this snowy land. The Lhasa Customs Office Investigation Department has twice been given glorious titles of National Advanced Customs Office Collective and National Advanced Anticontraband Collective.

North Region

Hebei Reports Jan-Apr Anticorruption Achievements

SK2006045894 Shijiazhuang HEBEI RIBAO in Chinese 6 Jun 94 p 1

[By Li Junsheng (2621 0193 3932): "Concentrate Forces on Investigation and Handling of Major and Serious Cases"]

[Text] From the beginning of this year, Hebei's discipline inspection and supervision organs at all levels, with a firm hold always, have taken the investigation and punishment of party members and cadres who violated law and discipline as an important measure of the anticorruption struggle. Leaders at all levels were responsible for their assigned cases, personally commanded the cases at the forefront, and focused forces on major and serious cases. From January to April, the discipline inspection and supervision organs in the whole province accepted and

handled 33,125 cases reported by the masses in their letters and visits. They investigated and handled 3,429 cases on party members and cadres who violated law and discipline, of which 1,790 cases were already concluded. A total of 1,775 people were dealt with according to party and political disciplinary actions, and 85 people were subjected to criminal sanctions.

Compared with last year, this year's investigation work had four distinguishing features.

First, the numbers of the cases investigated and handled and the discipline violators who were punished were large and showed a large-scale increase. In this year's first four months, the number of the cases investigated and handled rose by 71.36 percent over the same period of the previous year; and the numbers of the people who were dealt with according to party disciplinary actions, political disciplinary actions, and criminal law were respectively 54.82 percent, 201.39 percent, and 63.46 percent higher than the same period of the previous year. The numbers of investigated and handled cases increased by 1.31 times and 1.27 times over the same period of last year in Handan city and Hengshui Prefecture, respectively.

Second, a batch of major and serious cases were investigated and handled. From January to April, there were a total of 187 major and serious cases investigated and handled across the province, an increase of 32.62 percent over the same period of the previous year. Of the total, 75 cases involved leading cadres at and above the deputy county head level, an increase of 368.73 percent over the same period of the previous year.

Third, there is a large proportion of cases on violation of economic discipline in the total investigated and handled cases. Discipline inspection and supervision organs at all levels, focusing on economic construction, the central task, stressed the investigation and handling of economic discipline breaches to protect the smooth development of reform and opening up. From January to April, they investigated and handled 1,681 economic cases, 49.02 percent of the total cases registered and an increase of 41.4 percent over the same period of the previous year, and recovered an economic loss of 399.45 million yuan for the country. Recently, an extraordinary big case about bribery during the contracting of construction projects was uncovered in Handan city. Thirty-nine people were involved, the amount of money violating law and discipline reached over 400,000 yuan, and six cadres at the county level and four scientific and technical cadres were arrested according to law. The discipline inspection commission and procuratorate in Wuan city uncovered an extraordinary big bribe-taking case in the city's industrial and commercial bank and credit cooperative, and of the 17 people involved in the case, six cadres at and above the deputy section chief level took bribes totaling 512,000 yuan.

Fourth, a batch of major and serious cases committed by groups and regional cases were cracked. Most of such cases involved many people each, and many of them were characterized by people in and outside a department or at

higher and lower levels collaborating with each other and were complicated and difficult to deal with. Discipline inspection and supervision organs closely coordinated with law-enforcement organizations and commanded in unison to make breakthroughs in major cases. The provincial discipline inspection commission and supervision department alone investigated and handled four such cases. All cities and prefectures also made breakthroughs in a batch of major and serious cases. For example, Zhang Liejun, former general manager; and Yang Kuizhong, Wang Xihuan, and Lee Zhiqiang, deputy general managers of a general company in Qinhuangdao city economic and technological development zone, practiced fraud and issued forged receipts to draw 15,505.80 yuan in cash through a certain company and bank and shared 1,000 yuan each. They also used their subordinating company's money earned from selling old electric wires to pay for their personal contract deposits, 1,000 yuan for each. Besides, Zhang, Yang, and Wang also accepted 2,000 yuan in bribes each. Now Zhang Liejun, Yang Kuizhong, and Wang Xihuan have been expelled from the party and dismissed from their positions as general manager and deputy general manager. At the same time, the judicial organ also investigated their crimes of embezzlement and accepting bribes. Li Zhiqiang was placed on probation within the party for two years and dismissed from the administrative post as deputy general manager as punishment.

Hebei Holds Meeting on Industrial Reform

SK2206023194 Shijiazhuang HEBEI RIBAO in Chinese 12 Jun 94 p 1

[By Du Yinghua (2629 5391 5478) and Wang Chunhai (3769 2504 3189): "The Hebei Provincial CPC Committee and Government Cosponsor the Provincial Meeting on Industrial Economic Reform and Development"]

[Text] The provincial meeting on industrial economic reform and development was held in Shijiazhuang on 11 June. The main tasks of the meeting are to study and arrange the work of deepening the enterprise reform, readjusting the product mix, promoting technological progress, strengthening the setup of the entrepreneur contingent, and ensuring the realization of the targets of "registering increases in three aspects and a decrease in one aspect and making improvement in one aspect"; to study and resolve the deep-layered contradictions and problems of fundamental and far-reaching nature in the industrial economic operation; and to discuss and revise several important documents on accelerating the province's industrial economic reform and development. This was an important meeting cosponsored by the provincial party committee and the provincial government.

The meeting was chaired by Chen Liyou, executive vice governor of the provincial government. Cheng Weigao, secretary of the provincial party committee and governor of the provincial government, made speeches at the meeting. Guo Shichang, vice governor of the provincial government, made arrangements for the acceleration of

the province's industrial economic reform and development and for the current industrial production. Provincial leaders Chen Yujie, Zhang Zhenhuai, Yu Zhenzhong, and Song Shuhua were present at the meeting. Present at the meeting were mayors, prefectural commissioners, vice mayors and deputy commissioners in charge of industrial work, city and prefectural organizational department directors, city and prefectural planning committee chairmen, city and prefectural economic and trade committee chairmen, and city and prefectural restructuring commission chairmen, responsible comrades of the provincial-level departments concerned, and plant directors and managers of 50 key enterprises.

Since the beginning of this year, our province has maintained an appropriate industrial economic growth trend based on the rapid development in 1993. The general situation has been good but, affected by the malpractice of the planned economic system accumulated for several years, many new situations in industrial economic reform and development have emerged in the province. Simultaneously, some prominent contradictions and problems still exist in the industrial economic operation. The industrial production growth rate has slowed down. The industrial enterprises' economic results are not ideal enough, and their products do not have a ready market. The amounts of products kept in stock have increased. The capital utilization rate is low. Due to the insufficient input of floating funds, enterprises are extremely short of capital so that the production development has been affected. Enterprises' production cost and deficits have increased. In particular, money-losing state-owned enterprises account for a large proportion. The investment in fixed assets has dropped by a big margin. Particularly, the localities seriously lag behind in terms of technological transformation.

After analyzing the industrial economic situation in the first five months of the year, Cheng Weigao said: The slow pace of structural readjustment, the stagnation in mechanism reforms, and enterprise managers' shortage of motivation and pressure are the essential reasons for the province's slow industrial growth rate and low industrial quality. Fundamentally speaking, such a situation resulted from the facts that the leaders at various levels have paid more attention to the input to fixed assets and the increase in new production capacity but failed to shift the focus of the work on deepening reform, changing mechanisms, readjusting structures, and improving efficiency. The leaders at various levels should conscientiously think a lot about this and further straighten out their work ideologies. We must no longer pay attention to capital construction to the neglect of technological transformation, to the increase in input to the neglect of sciences and technologies, and to short-term interests to the neglect of long-term ones alone. We should be determined and adopt powerful measures to accelerate the reform of the enterprise managerial mechanisms, accelerate the pace of structural readjustment, promote enterprises' technological progress, promote the contacts between domestic and foreign markets, and ensure a ceaseless increase in enterprises' economic results.

How can we promote industrial production? Cheng Weigao said: The key to promoting industrial production hinges on grasping good products, setting up good mechanisms, and selecting good plant directors. Good products are the essential conditions for enterprises' existence, good mechanisms are the sources of enterprises' vitality, and good plant directors are the soul of enterprises. Grasping good products means grasping projects with powerful competition, producing famous brands, creating products with competitiveness, and striving to produce first-class products. By so doing Hebei will be able to have a large number of famous-brand products occupy domestic and foreign markets. By improving mechanism, we mean making enterprises have full authority for management, assume full responsibility for their own profits and losses, and develop and regulate themselves. By successfully choosing plant directors, we mean boldly reforming the existing personnel system of enterprises to train and bring up a large number of modern entrepreneurs in line with the principle of making the party manage cadres and with the demand of the market economic system.

On training and bringing up a mighty contingent of entrepreneurs, Cheng Weigao said that entrepreneurs constitute a decisive factor for the existence and development of enterprises amid market competition and are the representatives of advanced productive forces. The prosperity or decline of enterprises depends to a large extent on entrepreneurs. Thus, training and bringing up a mighty contingent of entrepreneurs constitutes an urgent task for accelerating the province's industrial and economic development and for improving the province's industrial and economic quality.

What are entrepreneurs? Socialist modern professional entrepreneurs working for state-owned enterprises should at least have the following qualifications: First, they should have the virtue entitled to socialist entrepreneurs. That is, they should firmly follow the path of building the socialism with Chinese characteristics, persist in the purpose of depending on workers, staff, and the masses to run enterprises, be honest and impartial in performing official duties, abide by discipline and laws, pay attention to reputation, and refuse to pursue money worship and infringe upon the interests of customers. Second, they should have the courage, that is entitled to entrepreneurs, of being brave in competing with others, making innovations, running risks, and pioneering the road of advance. Third, they should have the knowledge entitled to entrepreneurs. That is, they should be familiar with the market situation, understand the persons of the same trades, understand the law of the economy and the practice of the international trade, and understand how to operate and manage enterprises. Fourth, they should have the ability entitled to entrepreneurs. That is, they should be able to make scientific policy decisions and to meet an emergency, be good at management, know their subordinates well enough to assign them jobs commensurate with their abilities, and be able to lead their enterprises develop continuously. Fifth, they should shoulder the duties, that are entitled to entrepreneurs, of ensuring the constant increase in the value of state-owned assets, the constant

improvement in economic efficiency and labor productivity, and the continuous increase in income of enterprise workers and staff. All localities should rapidly establish the mechanisms of giving incentive and restriction to plant directors and managers and resolve the problem of there being no differences between good and bad performers. In line with the characteristics of market economy, all localities should make bold explorations for reforming the system on management of enterprise cadres. Various units at various levels should support enterprise leaders to exercise powers, shoulder duties, and run risks. Press and propaganda departments should give a wide publicity to the advanced and exemplary deeds of enterprise managers and dealers and should use correct public opinions to guide and help the people understand the position and role played by entrepreneurs in carrying out the modernization drive and overcome all kinds of prejudice against enterprise managers with a view to forming a fine practice of respecting, supporting, and cherishing entrepreneurs.

Ye Liansong dwelt on some important opinions on the province's industrial reform and development. He said: To fulfill the goal of building Hebei into an economically strong province, we must pay attention to the following several tasks, viewing from the long-term interest and from the endeavor of resolving immediate difficulties:

We should further deepen enterprise reform with focus on transforming mechanisms and establishing new systems. The focus of enterprise reform must be shifted from reducing taxes for and conceding profits to enterprises and readjusting policies in the past several years to transforming mechanisms and establishing new systems. With the clarifying of the relations of property rights, the strengthening of the incentive mechanism, and the perfecting of the restriction mechanism as the key contents, all localities and all departments should make overall planning and arrangements by proceeding from realities, should give different guidances based on different situations, and should formulate specific programs for transforming mechanisms and establishing systems for respective enterprises in line with their respective conditions. Through the ways of establishing modern enterprise system, reforming the corporate system, accelerating technological progress, and developing enterprise groups, we should help the large and medium-sized key enterprises with good economic efficiency, great competitiveness, and great potential of development to enhance their scale, grades, efficiency, and competitiveness. The small-sized enterprises with small amounts of profits or with deficits should closely combine the enlivening of themselves with the enlivening of their assets. By adopting the forms of contract, leasing, state ownership and civilian management, management on a commissioned basis, shareholding cooperation, property right reorganization, and estate transfer, the small-sized enterprises should promote the vitality of the whole and the part and make appropriate use of their existing assets.

We should accelerate the pace of structural readjustment and promote the updating and upgrading of products. Markets should be taken as an orientation for readjusting

the product mix. This is conducive to giving full scope to the strong points, avoiding weaknesses, and bringing their functions into full play. According to the basic ideology of "high-efficient heavy industry and intensive and precision light industry" and the "high, quality, large-scale, and export-oriented" orientation, we should unswervingly grasp structural readjustment. We should comprehensively implement the "dragon and tiger" plan and the plan for development by six groups to readjust the product mix of large and medium-sized key enterprises. We should vigorously cultivate and develop new high-tech industrial development zones and new high-tech industrial park zones to promote the rapid development of new industries. According to the spirit of "emulating rich and famous families, grasping projects with strong points, creating famous brands, and striving to be the first class," we should grasp the production of famous-brand products of strategic nature and with vast prospects. In the forms of amalgamation, bankruptcy, capital cooperation, stripping, and reorganization, the enterprises whose products are not readily marketable, that suffer serious losses, and that are hopeless in halting deficits should transfer their existing assets to the industries and enterprises with high efficiency. According to the industrial policies, we should accelerate the formulation of the provincial program for readjusting the industrial product mix and effectively guide enterprises to accelerate the updating and upgrading of products according to the macroeconomic goal.

State-owned industrial enterprises, particularly large and medium-sized enterprises, should exert efforts to grasp the input in technological transformation. First, state-owned industrial enterprises, particularly large and medium-sized enterprises, should concentrate the input on technological transformation. Second, enterprises should emphatically grasp the development of new products, and the setup of advanced and high-efficient enterprises should be grasped. The governments at various levels and all financial departments should pay firm attention to collecting funds to ensure the supply of funds for promoting technological progress and to increase the returns on use of capital. To promote the development of new products, scientific research units, universities, and colleges are allowed to convert the products that they have manufactured into stocks, sell them to enterprises in the name of units or individuals, and then draw extra dividends according to the number of stocks. All large and medium-sized enterprises should set up technological development organizations. Simultaneously, the existing technological development organizations under enterprises should bring their functions into better play.

Alleviating enterprises' strain on working funds should be regarded as a task of the most urgent importance and be firmly attended to. We should make good and full use of loans and strive to expand the scale of loans. We should fully support the enterprises whose products are readily marketable and of good efficiency, that are able to create foreign exchange through exports, and whose loans can be withdrawn; and grant loans to them for use as working funds. Loans should also be granted to the enterprises that suffer losses but are hopeful to halt losses and whose

products are readily marketable and of good efficiency. We should organize forces to clear up the debt chains between enterprises, intensify sales, reduce the amounts of products kept in stock, enliven the existing capital, and upgrade the returns on use of capital. All banks should cooperate with economic and trade committees, try every possible means to enliven the existing loans, and tap the potential for use of existing capital.

We should realistically grasp the current industrial production. First, we should expand the production of readily marketable products. Second, we should exert efforts to pioneer markets and intensify sales. Third, we should realistically grasp production management and strive to alleviate the restrictions by bottlenecks. Fourth, we should continue to launch the "grasping, helping, and halting" campaign.

Shanxi Regulations on Extra-Budgetary Funds

HK2106150094 Taiyuan SHANXI RIBAO in Chinese
17 May 94 p 5

["Shanxi Regulations Governing the Management of Extra-Budgetary Funds (Passed at the Ninth Session of the Eighth Shanxi Provincial People's Congress on 13 May 1994)"]

[Text] "Announcement by the Standing Committee of the Shanxi Provincial People's Congress" The "Shanxi Provincial Regulations Governing the Management of Extra-Budgetary Funds" have been passed by the Ninth Session of the Eighth Shanxi Provincial People's Congress on 13 May 1994, and are hereby promulgated. They will come into effect on 1 August 1994.

Shanxi Provincial People's Congress Standing
Committee

13 May 1994

Chapter 1—General Principles

Article 1—These regulations have been formulated in accordance with the relevant state stipulations and in light of the realities of the province in order to meet the development demands of the socialist market economy, to strengthen the management of extra-budgetary funds, and to improve the efficiency of the use of extra-budgetary funds.

Article 2—The regulations apply to the receipt, expenditure and management of extra-budgetary funds by people's governments at all levels, their subordinate departments, other state organs, mass organizations, whole-people ownership enterprises and institutional units (hereinafter referred to as "the various districts, various departments and various units")

Article 3—References to extra-budgetary funds in these regulations are to those funds which are not included in the state budget but which are received, retained, or used by the various districts, various departments and various units in accordance with the relevant national and provincial stipulations. These primarily include:

1) Extra-budgetary funds managed by administrative and institutional units.

2) Extra-budgetary funds managed by financial departments.

3) Funds retained by state-owned enterprises.

Article 4—In the management of extra-budgetary funds, it is necessary to uphold the principles of macroeconomic regulation and control, microeconomic stimulation, unified leadership, graded management by level, the combination of rights and responsibilities, putting receipts before expenditure, and keeping expenditures within the limits of income.

Article 5—People's governments at all levels should strengthen their leadership over the work of managing extra-budgetary funds, take responsibility for organizing the implementation of laws, administrative rules and regulations, including these regulations, as they relate to the management of extra-budgetary funds, and examine and approve income and expenditure plans and the final accounting of extra-budgetary funds at their level.

Article 6—The financial departments at the various levels are the functional departments for managing extra-budgetary funds and are responsible for the implementation of laws, administrative rules and regulations, including these regulations, as they relate to the management of extra-budgetary funds. They will examine and verify, gather and report the income and expenditure plans and final accounts for extra-budgetary funds and manage and supervise the receipt and use of extra-budgetary funds.

Article 7—The planning, banking, auditing, pricing and other relevant departments should, in accordance with their respective functional responsibilities, coordinate with the financial departments in doing well in the work of managing, supervising, and guiding extra-budgetary funds.

Article 8—The various departments and various units should, in accordance with the various laws and administrative rules and regulations, including these regulations, and as they relate to the management of extra-budgetary funds, strengthen their own department's or unit's management of extra-budgetary funds, firmly implement the unified extra-budgetary income and expense account headings and accounting systems as stipulated by the state, organize the receipt of extra-budgetary funds, arrange the expenditure of extra-budgetary funds, and report the income and expenditure plans and final accounts for extra-budgetary funds.

Article 9—Citizens, legal persons and other organizations must be encouraged to lodge reports on any illegal activities involving the receipt, expenditure and management of extra-budgetary funds. Those whose reports are successfully pursued should be given rewards by the financial departments.

Article 10—These regulations should be strictly implemented. Those units and persons who make outstanding achievements in the work of managing extra-budgetary

funds should be commended and rewarded by a people's government at or above the county level.

Article 11—At regular intervals, the standing committees of people's congresses at or above the county level should listen to and discuss reports on the income, expenditure, and management of extra-budgetary funds by the people's government at the same level. They should also supervise the people's government and the relevant departments at the same level in their implementation of the laws, administrative rules and regulations and these regulations as they relate to the management of extra-budgetary funds.

Chapter 2—The Management of Extra-Budgetary Funds in Administrative and Institutional Units

Article 12—The extra-budgetary funds of administrative and institutional units includes administrative fees and institutional charges that are not included in the state budget, as well as the various types of foundations (funds) received or retained in accordance with the relevant state and provincial regulations by state organs, mass organizations, and whole-people ownership institutional units.

Article 13—Administrative and institutional fees and charges should be based on laws, rules, and regulations. The specific charges and fees, including their range and levels, should be reported and approved in accordance with the following stipulations:

1) The administrative and institutional charges established by the various departments of the provincial people's government shall be examined and approved jointly by the provincial financial department and the provincial pricing department. The formulation and readjustment of the range or level of the charges will be jointly examined and approved by the provincial pricing department and the financial department. Major charges and the levels of these charges will, after being jointly examined and verified by the provincial financial and pricing departments, be reported to the provincial people's government for approval.

2) Prefectures, cities, counties (districts) and townships (small towns) are not permitted, on their own accord, to establish local or regional charges. In cases where it is necessary to establish such charges, after the proposals have been jointly examined and verified by the provincial financial and pricing departments, they will be reported to the provincial people's government for approval.

In respect of those administrative and institutional charges which have been approved in accordance with the stipulated procedures, the charges, their range, and their levels shall be publicly announced.

Article 14—A licensing system will be implemented for administrative and institutional charges. The departments and units levying the charges should take the approval documents to the specified pricing department to obtain their charge-levying licenses.

In the levying of administrative and institutional charges, unified receipts which have been printed by or printed

under the supervision of a financial department must be used. The charges, their range and their level must be in accordance with what has been stipulated or approved.

Charges that are levied without charge-levying licenses or without unified receipts printed by or printed under the supervision of a financial department will be considered illegal levies, and units or individuals that are subject to the charges have the right to refuse to pay. In response to illegal levies, any unit or person has the right to make a report to the financial and pricing departments.

Article 15—Under conditions where ownership rights and use rights do not change, the extra-budgetary funds of administrative and institutional units shall be managed through deposit in special financial administration accounts.

The extra-budgetary funds of administrative and institutional units will be managed by each unit by opening income and expenditure accounts in a bank and managing income and expenditure separately.

Apart from where the state has other applicable stipulations, administrative and institutional units may only open accounts in one bank.

The extra-budgetary funds deposited in special financial administration accounts will be paid interest in accordance with state stipulations, and the interest will be credited to the unit's account.

All units should make quarterly reports on their plans for using such funds and, after examination and approval by the financial department at the same level, they can use the funds under the supervision of the bank in which they have opened their accounts. When there is a need to utilize funds in special circumstances, approval can be granted immediately following the report. Without the examination and approval of the finance department, the banks in which the accounts have been opened are not permitted to pay out funds which have been deposited in special financial administration accounts.

Financial departments at all levels should simplify their examination and approval procedures. When it is appropriate for units which have special deposits to use their own funds, the financial departments must guarantee that they will not shift responsibility, delay things or adversely affect the use of funds by those units holding special accounts. The banks in which the accounts are held should, when expenditure permission is granted by the finance departments, pay out the funds in a timely way and must not use excuses to hold up payments.

Article 16—Financial departments at all levels, on the precondition of guaranteeing normal funds use by units with special accounts, may use funds between special financial administration accounts and adjust funds so that surpluses in one place can be used to meet deficiencies in other places, so that production and institutional development can be supported. However, they must not use such funds to establish banking organs, development companies or for capital construction investment.

Article 17—The extra-budgetary funds of administrative and institutional units must be used in accordance with stipulated avenues. In accordance with a state-stipulated range, a portion can be used to supplement administrative and institutional charges, while the balance must be used in accordance with state regulations.

Specialized foundations (funds) must be earmarked for specified purposes and must not be diverted for other uses.

Article 18—Administrative and institutional units intending to use extra-budgetary funds for their own capital construction must have their proposed projects examined by the financial department and must deposit the funds in a special extra-budgetary fund account of the financial department at the same level in the Construction Bank. If approval has not been obtained, funds cannot be assigned to capital construction plans, and the Construction Bank must not transfer funds.

Article 19—When administrative and institutional units intend to use extra-budgetary funds to purchase controlled commodities, the relevant examination and approval procedures must be followed.

Article 20—When administrative and institutional units intend to use extra-budgetary funds to pay wages, award bonuses, provide subsidies and allowances, or cover welfare costs, it must be done strictly in accordance with the relevant state and provincial stipulations.

Article 21—The extra-budgetary funds of all units must be managed in a unified way by the financial organ of that unit. Private holding of public funds is strictly prohibited.

Chapter 3—The Management of Financial Departments' Extra-Budgetary Funds

Article 22—The extra-budgetary funds of financial departments include additional income received, special funds (foundations) pooled, and other extra-budgetary income obtained in accordance with the relevant state and provincial stipulations.

Article 23—The extra-budgetary funds of financial departments should be levied and pooled in accordance with the charges, range, and levels stipulated by the state and the province. Without obtaining approval, no additional charges can be added, the range may not be expanded, and the level cannot be raised.

Article 24—The extra-budgetary funds of financial departments shall be used strictly in accordance with the use arrangements stipulated by the state and the province. Funds must not be diverted for other purposes.

Article 25—When the extra-budgetary funds of financial departments are to be used for capital construction, the plans must be reported and approved in accordance with the stipulated procedures and included in the capital construction plans.

Chapter 4—The Management of Funds Retained by State-Owned Enterprises

Article 26—The use of funds retained by state-owned enterprises will be decided by the enterprises themselves in accordance with the "Law Governing Industrial Enterprises Owned by the Whole People," the "Regulations Governing the Transformation of the Operational Mechanism in Industrial Enterprises Owned by the Whole People," the "General Rules Governing Enterprise Finances," and the "Enterprise Accounting Standards."

Article 27—No region or department is permitted to arbitrarily collect funds from enterprises, levy charges, or engage in the indiscriminate transfer of retained funds.

Article 28—State-owned enterprises should strengthen management over retained funds and accept the guidance and supervision of financial, auditing, and banking departments.

Chapter 5—Penalty Provisions

Article 29—In cases which violate these regulations and other laws and regulations which contain clear stipulations covering such violations, punishment shall be meted out in accordance with the law by the departments stipulated in the law or regulation. Where other laws and regulations do not contain specific provisions on the violation, the financial departments at or above the county level will mete out punishment in accordance with the stipulations of these regulations.

There shall not be double punishment for any single violation of the law.

Article 30—Units which engage in any of the following activities in violation of the stipulations of the regulations will, in accordance with the seriousness of the violation, be served warning, be subject to circularized criticism, and may be penalized in accordance with any of the following stipulations:

- 1) Those who, without authority, increase the number of extra-budgetary fund charges, expand the range of the charges, or raise the level of charges, will be ordered to revoke the additional charges and correct the arbitrary expansion of the range of the charges and the improper raising of the charges. Illegally obtained proceeds will be confiscated and fines amounting from one to three times the illegally obtained funds will be imposed.
- 2) Those who have not obtained charge-levying licenses in accordance with stipulations or who do not use receipts printed by or under the supervision of a financial department will have their illegally obtained proceeds confiscated and will be subject to fines amounting to 5 to 10 percent of the illegally obtained funds.
- 3) In the event units do not establish special deposit accounts in accordance with the stipulations, engage in fraud, withhold information, improperly transfer or spend funds, privately establish small treasuries, or evade supervision, the financial department will instruct the bank in which the accounts have been opened to directly transfer

to the special financial administration accounts those funds which should be deposited in the special accounts. In serious cases, a fine of 5 to 10 percent of the amount involved in the illegal activities will be imposed.

4) Units which raise capital construction funds by themselves without reporting it and without obtaining approval in accordance with the stipulated procedures will be ordered to rectify the matter within a certain period of time. In addition, a fine of 10 to 20 percent of the amount involved in the illegal practices will be imposed.

5) Units which use extra-budgetary funds to purchase controlled commodities without the approval of the financial department, or which make improper use of special foundations (funds) will have the amount involved in the illegal activities confiscated. In addition, a fine of 15 to 30 percent of the amount involved in the illegal activities will be imposed.

6) Units which expand the scope of expenditure of extra-budgetary funds or issue excessive bonuses, subsidies, allowances, or goods in kind without authorization will be ordered to rectify the situation within a set period of time. In addition, a fine of 15 to 30 percent of the amount involved in the illegal activities will be imposed.

7) In cases of private holding of public extra-budgetary funds, the entire amount involved will be confiscated. In addition, a fine of one to two times the amount involved in the illegal activities will be imposed.

Article 31—When units violate these regulations in one of the ways listed in Article 30, the managing staff member who is directly responsible and other personnel who are directly responsible will be fined one to three months of salary, and they will be subject to—or it will be recommended that the relevant department or unit impose—administrative punishment.

Article 32—Any party who disputes a punishment decision may, within 15 days of the date of the punishment notice, request reconsideration of the decision by the organ superior to that which made the original decision. The upper-level organ should make its decision within 30 days of receiving the request that the case be reconsidered. When there is still dispute over the reconsidered decision, the disputing party may, within 15 days of receiving the reconsidered decision, appeal to the People's Court. If, after the time limit, no request for reconsideration has been submitted, no appeal has been submitted, and the punishment decision remains unimplemented, the organ that made the punishment decision may ask the People's Court to enforce the decision.

Article 33—If, in the work of managing and supervising extra-budgetary funds, the personnel of the financial, banking and pricing departments are derelict in their duties or act improperly based on personal considerations, they should be subject to administrative punishment by their unit or by the upper-level managing department.

Article 34—Violation of these regulations will constitute a crime, and the judicial organs will ascertain criminal responsibility in accordance with the law.

Chapter 6—Supplementary Provisions

Article 35—When problems arise in the specific application of these regulations, the provincial financial management department will be responsible for interpreting the regulations.

Article 36—These regulations will come into effect on 1 August 1994.

Summary of Construction Projects in Tianjin

SK2006123194 *Tianjin TIANJIN RIBAO in Chinese 10 Jun 94 pp 1, 2*

[Summary of implementation of the goals of "three, five, eight, and 10": "Stride Forward Toward the Good Beginning of the Magnificent Goal"]

[Text] If we say that Tianjin's development pace has obviously accelerated since the commencement of reform and opening up, then, the changes in the future will be even more spectacular. When drawing the outlines of the magnificent blueprint for striding forward toward the 21st century, Tianjin's people have vividly summarized the blueprint as the goals of "three, five, eight, and 10." That is, to quadruple the 1980 GNP in 1997, three years ahead of schedule; to basically complete the rebuilding of dangerous and shabby houses in urban areas in five to seven years; to readjust and renovate through grafting all large and medium-sized state-owned enterprises in about eight years; and to basically complete the building of the new coastal area in about 10 years. At present, the implementation of these four fighting goals are being organized in a planned and step-by-step manner.

The Demand of the Situation, and the Expectation of the People

The raising of these four fighting goals is not the subjective assumption of a certain person or some persons, but is the objective demand of Tianjin's development and the expectation of Tianjin's people. The sixth municipal party congress and the first session of the 12th municipal people's congress, held last year, defined Tianjin's overall development target and set forth the demand of using 20 years' endeavor to make Tianjin one of the areas in China that basically realize modernization and to build Tianjin into the commercial, trading, and banking center of northern China, into a comprehensive industrial base that is advanced in technology, and into a modernized international big port city opened to all directions. To this end, we must turn goals and tasks into specific actions based on the analysis of Tianjin's situation and the overall situation, must map out plans and arrangements for several stages, and then carry out these plans and arrangements step by step. The goals of "three, five, eight, and 10" have been defined around the fulfillment of the overall target after many investigations and appraisals were conducted. These four goals are internally connected with one another and affect and supplement each other. In the overall plot of the acceleration of Tianjin's development, we have given prominence to appropriately handling the relations between existing enterprises and new enterprises. On the

one hand, we have stressed the endeavor of invigorating existing enterprises and grasping the readjustment and renovation of old enterprises; and, on the other hand, we have stressed the necessity of cultivating new and major economic growing points. In the economic layout, we have stressed the development of new areas and the rebuilding of old areas. In the priorities of development, we have given prominence to invigorating large and medium-sized state-owned enterprises and developing rural economy. In the relations between production and livelihood, we have defined the necessity of regarding the improvement of the people's living standards as the starting point and the ending point of all work on the basis of developing production.

Being examined and approved by the municipal people's congress last March, these four goals have evoked strong repercussions among Tianjin's people, and the vast numbers of cadres and the masses have been inspired by these goals. Most people maintain that these four goals are not only realistic but also press the people to forge ahead; and these four goals are not only the demand of the situation but also the expectation and the voice of the vast numbers of the masses. Many people say that all localities in the country are now vying with one another in developing themselves. Tianjin, as a municipality, should be even more rapid in the pace of carrying out reform, opening up, and economic construction. We have the wish and the vigor to let our hometown develop at an even faster pace and become even more beautiful. These four goals have let us catch sight of hopes and have a bright prospect. In particular, the goal of rebuilding all dangerous and shabby houses in five to seven years has enjoyed popular support and become the central topic talked by the people at streets and lanes. As said by the common people, "there is no need to enter the 21st century by living in old and shabby houses built in the thirties and forties."

Drawing the Concerted Efforts of All Fronts

Realizing these four fighting goals is a grand, huge project all fronts should make concerted efforts to realize these goals. To this end, the municipal government has exerted great efforts and strengthened the organizational leadership over the realization of these goals. A leading group for realizing these four goals has been organized with Mayor Zhang Lichang as its head. This leading group has four subteams with responsible vice mayors as their heads and relevant commission, bureau, district, and county responsible persons as their members. Offices subordinate to the subteams have been established to take charge of day-to-day investigations, coordination, and supervisions. So far, four subteams have convened meetings on several occasions, defined overall plans and annual plans for implementing these four goals, also divided the tasks among each level, set up a system for assessment of targets, and done their best to firmly attend to the implementation of these goals. For instance, the subteam of the new coastal area emphatically studied the plan of the key coastal development area and defined the dividing lines of the new coastal area. The new coastal area covers five districts (including Tanggu, Hangu, Dagang, and parts of Dongli

and Jinnan), and 20 townships. It occupies an area of 350.36 square kilometers. This area is a new rising area whose prospects for economic development are greater than any other areas in Tianjin as well as one with the highest degree of opening up, the widest coverage of policies, and the best infrastructural facilities. The new coastal area will develop 188 square kilometers in the next 10 years or by 2003. At that time, its gross domestic product and foreign export value will account for 40 percent, respectively, of the municipality's total. This year, its GNP will increase by over 20 percent and surpass the growth rate of the municipality. So far, the construction of some key projects is in full swing. The 140,000-ton ethylene, 200,000-ton polyester, Jinnan-Hangu highway, and Dagang-Tanggu highway projects are under full construction. The pre-phase preparatory work for the Beitang power plant, the project for diverting Luanhe water to Hangu, and the third coal gas plant is in full swing and these projects are being listed for examinations and approvals. Tianjin Harbor is accelerating its construction pace and is to obtain a capacity of annually transporting 500,000 standard containers to foreign countries and to possess 40 million tons of loading and unloading capacity. The development zone should continue to keep the leading positions in the whole country in terms of the fulfillment of its targets. In the first five months of this year, the development zone made new headway in inviting businessmen and bringing in capital. A total of 233 foreign-funded enterprises of three types have been approved. The investment in these enterprises totals \$747 million. The investment scale of the projects averages at \$3,056,400.

The municipal economic, commercial, and communications committees conducted deep and thorough investigations on readjustment and transformation of old enterprises with foreign capital, worked out specific plans for transforming state-owned large and medium-sized enterprises step-by-step, and also prefulfilled the tasks for readjustment and transformation with foreign capital in the next five years. Of the municipality's 748 state-owned large and medium-sized enterprises, 214 should fulfill the tasks for readjustment and transformation with foreign capital this year and 143 should fill the tasks next year. That is, 48 percent of the large and medium-sized enterprises should be transformed in 1994 and 1995. The municipal economic committee urged that through grafting readjustment and transformation, 318 large and medium-sized enterprises should realize the quadrupling tasks three years ahead of schedule. In 1997, the total industrial output value should reach 74.59 billion yuan and the profits and taxes realized by the industrial enterprises should reach 10.27 billion yuan, respectively, increasing by more than 600 percent and 400 percent over 1980. The grafting readjustment and transformation of the commercial department's 80 large and medium-sized enterprises are under smooth progress. Ten joint ventures have made preliminary achievements in grafting transformation, 11 enterprises have made progress in readjustment and transformation, and the reconstruction and expansion of nine large-sized retail sales shopping centers are under full swing.

Implement These Goals Step by Step To Achieve Initial Results

The key to realizing the four goals is to do a good job in taking the first step and to have a high starting point. If we do a good job in the first year, we may enhance the spirit, boost morale, and lay a foundation for future development. To realize the goal of quadrupling the GNP three years ahead of schedule, from 1993 to 1997, we must increase the municipality's GNP at an annual progressive rate of over 11 percent, and this year we plan to increase the GNP by 12 percent. This requires our efforts to conscientiously grasp well all quarterly and monthly economic tasks. Judging from the operational situation of this year's first quarter, the development rate and efficiency were fairly good. The whole municipality's GNP reached 15.415 billion yuan, up 12.4 percent over the same period last year, thus attaining the required progress. Of this, 296 million yuan came from the primary industry, up 4.4 percent; 9.72 billion yuan came from the secondary industry, up 12.1 percent; and 5.399 billion yuan came from the tertiary industry, up 13.5 percent. From January to May, the total output value of industrial units at and above the township level across the municipality reached 37.669 billion yuan, up 16.6 percent over the same period last year.

The project of renovating slum houses that draws the attention of the people across the municipality has been smoothly carried out. The municipal leading comrades have traveled to the construction sites to give work guidance and help solve problems on many occasions. Six districts in the municipality have taken quick actions, grasped this work firmly, done solid work, actively collected construction funds, expanded the strength to invite business and introduce capital, and unceasingly accelerated the progress of renovating slum houses. From January to May, the municipality as a whole demolished a large area of slum houses totalling 520,000 square meters, built houses covering an area of 4.29 million square meters, completed the construction of 438,000 square meters of houses, and enabled 10,019 residents to move into new houses.

On the basis of sizing up the real situation, industrial enterprises have accelerated the pace in grafting, readjustment, and transformation of old enterprises. They signed 66 contracts on utilization of foreign capital from January to April. The total volume of contracted investments reached \$448 million, and the volume of contracted foreign capital reached \$251 million. Of this, 53 items were on grafting and transformation of old enterprises with foreign capital, the total volume of contracted investments reached \$396 million, and the volume of contracted foreign capital reached \$214 million.

A good development trend has emerged in the construction of a new seaside area. At present, the whole line of the Tianjin Port-Tanggu highway has been initiated. Most of the earthwork of the Tianjin section of the Shanhaiguan-Guangzhou highway has been completed. The Xinhua Road overpass in Tanggu is expected to open to traffic by the end of June. Construction of a heat and power plant

and a water plant in the development zone is in full swing. The Nanjiang bridge project at the port area is progressing smoothly. The intangible conditions for building the polluted water disposal center are being strengthened, and the pre-phase preparatory work for building the energy wharf has been comprehensively carried out.

We will sow what we reap. This year's opening situation is quite good and the trend is excellent. We are convinced that as long as the higher and the lower levels across the municipality work with one heart and one mind, unite as one, and make indomitable and unremitting efforts, we will surely attain the "3.5.8.10" fighting goal on time or ahead of schedule, and Tianjin will surely have a more brilliant future.

Tianjin Releases May Industrial Statistics

SK2106122394 Tianjin TIANJIN RIBAO in Chinese 6 Jun 94 p 1

[Text] According to the latest statistical data released by the municipal statistical bureau, Tianjin's industrial economy has shown a sustained, stable, and healthy development since the beginning of this year, and Tianjin achieved another new level in major industrial targets in May.

The industrial production kept a trend of steady progress. In May, the total output value created by the industries at and above the township level in the municipality was 8.511 billion yuan, an increase of 17.1 percent over the same period of the previous year, and the industrial output value from January to May totaled 37.669 billion yuan, an increase of 16.6 percent. The sales of products was improving month by month. In May, the sales value of Tianjin's industries at or above the township level was 7.754 billion yuan, an increase of 16.2 percent over the same period last year. The sales value from January to May totaled 34.867 billion yuan, increasing by 14.2 percent; and the marketing rate of products was 92.25 percent in May, 1.43 percentage points up from April.

The development of light industry continued to be faster than that of heavy industry. In May, Tianjin's output value of light industry totaled 3.681 billion yuan, an increase of 18.7 percent over the corresponding period of last year, the output value of heavy industry totaled 4.83 billion yuan, increasing by 15.9 percent. The proportion of light industry increased to some extent. From January to May, the ratio of the light industrial output value to heavy industrial output value was 44.55:55.45. Comparing with the ratio of 36.1:63.9 in the same period of the previous year, the proportion of light industrial output value rose by 8.46 percentage points.

The developing trend of nonstate-owned industry was strong. From January to May, the industrial output value of the "three types of foreign-funded enterprises" increased by 1.12 times over the same period last year, the net increase of the output value was 4.014 billion yuan, accounting for 74.9 percent of Tianjin's net increase of output value. The output value of township-run industry increased by 38.48 percent over the same period last year,

and the net increase of the output value was 1.97 billion yuan, accounting for 36.8 percent of Tianjin's net increase of output value. The output value of the industries run by districts, counties, and neighborhoods increased by 35.9 percent over the same period last year, and the net increase of the output value was 382 million yuan, accounting for 7.1 percent of Tianjin's increase of output value.

The development of the production of export products achieved the best level in recent years. The value of the export products of industrial enterprises totaled 4.232 billion yuan, an increase of 46.84 percent over the same period in recent years, achieving the best level in the same period in recent years. This gave larger impetus to Tianjin's efforts to earn more foreign exchange through exports and development of export-oriented economy.

The major indexes of the industrial economic efficiency were better than the corresponding period last year, achieving the best level in May. According to statistics, the profit and tax of the industrial enterprises at and above the township level that implemented the independent accounting system totaled 773 million yuan in April, 37.5 percent up from the average level of this year's first quarter. Of the total, profit was 280 million yuan, 166.7 percent up from the average level of this year's first quarter. Tianjin's sales income from January to April totaled 27.21 billion yuan, an increase of 12.5 percent over the corresponding period last year, and its profit and tax totaled 2.459 billion yuan, up 16.8 percent.

Judging from the developing trend, Tianjin is capable of attaining a half of the annual objective by the end of this year's first half.

Northeast Region

Jilin Reports Personnel Appointments, Dismissals

SK2106032094 Changchun JILIN RIBAO in Chinese
12 Jun 94 p 1

[Text] Following is the namelist of personnel changes approved at the 10th meeting of the Eighth Jilin Provincial People's Congress Standing Committee on 11 June:

Appointment:

Wang Qiye [3769 0796 2814] was appointed deputy chief procurator of the provincial people's procuratorate and member of the provincial procuratorial committee.

Jiao Wenlong [3542 2429 7893] was appointed procurator of the provincial people's procuratorate.

Dismissal:

Yao Zhenxing was dismissed from his post as deputy chief procurator of the provincial people's procuratorate and from his post as member of the provincial procuratorial committee.

Wang Yougong and Li Jinglong were dismissed from their posts as procurators of the provincial people's procuratorate.

Jilin Deals With More Economic Crimes of Cadres

SK2106122994 Changchun JILIN RIBAO in Chinese
13 Jun 94 p 1

[Excerpts] The discipline inspection and supervisory organs at all levels throughout the province have deeply investigated and handled the cases of violations of the law and discipline as well as have cleared up the way and removed the obstacle for developing the market economy by earnestly implementing the arrangements made the CPC Central Committee and the provincial party committee; closely following the party's central work; and abiding by the whole situation of serving the programs of reform, development, and stability.

Since the second session of the Central Discipline Inspection Commission, the provincial discipline inspection commission and the provincial supervisory department have earnestly investigated and handled a large number of violation cases committed by party members and cadres through the efforts to enhance their leadership, to reinforce the dynamics in work, to put the investigation and handling of violation cases on a prominent position, to define the focal points of investigation, and to stress the practical effect of handling the cases. According to statistics, the discipline inspection and supervisory organs at all levels throughout the province have registered, investigated, and handled 3,554 violation cases committed by party members and cadres, in which 2,616 party members and cadres were punished. Of these party members and cadres, 40 are of the units at the county-section level. Only in the period from January to April this year, the discipline inspection and supervisory organs at all levels across the province investigated and handled 1,519 violation cases committed by party members and cadres. Of these cases, 148 are of serious and appalling crimes and account for 9.74 percent in the total of registered cases, in which 667 party members and cadres were punished and 14 are of the units at or above the county-section level.

In deeply carrying out the struggle against corruption, the provincial discipline inspection commission and the provincial supervisory department have led the work teams on many occasions to go deep into grass-roots levels to carry out investigation and study and to conduct face-to-face guidance over the work of handling cases. They have held meetings periodically to allocate cases to relevant departments, to arrange the clues of cases in order of investigations, and to conduct specific discussion and arrangements for the investigation and handling of key cases. Meanwhile, they have enhanced the coordination with the departments in charge of enforcing the law and discipline and made efforts to foster the joint force of struggle against corruption, thus, bringing about a steady increase in the number of serious and appalling cases that have been well investigated and handled. [passage omitted]

In the first four months this year, the discipline inspection and supervisory organs at all levels across the province made a new breakthrough in investigating and handling the serious and appalling cases, of which 54 were handed

over to the judicial organs, 7.265 million yuan of economic losses were directly recovered for the state and collectives.

While deeply investigating and handling the cases of violating the law and discipline, the discipline inspection and supervisory organs at all levels across the province have also paid attention to summarizing the experience gained in investigating the cases, analyzing the typical cases, studying the law and characteristics of violations committed by party members and cadres, publicizing promptly the typical deeds of administrative honesty and diligence, and conducting positive and negative education among the broad masses of party members and cadres. [passage omitted]

Jilin Conference on Rural Financial Affairs

*SK2006015394 Changchun JILIN RIBAO in Chinese
11 Jun 94 p 1*

[By reporter Zhang Lijun (1728 0500 6511): "Jilin Holds a Work Conference on Management of Rural Financial Affairs"]

[Text] Reporter learned from the provincial work conference on management of the rural financial affairs that concluded a few days ago that in 1994 and 1995 the province will make "six cleanups and six changes" in the rural financial affairs. Wang Guofa, vice governor of the provincial government, made a speech at the conference.

After summing up the province's achievements in rural financial affairs made over the past years, the conference pointed out: Now, problems in the management of rural financial affairs, which are in urgent need of solution, still exist. That is, the accumulated funds of agriculture are still being drained, the funds obtained by some localities according to a unified plan are not well managed, there are more instances of illegally interfering in the management and the flow of accumulated funds, the problems due to the raising of the interest rates by the collectives and the problems relating to "two debts" prominently exist, the rural areas fail to effectively manage their financial affairs, some localities have abolished county- and township-level agricultural economic centers, some localities delegate the rights to the management of rural financial affairs to towns and townships, and some localities "wean" the rural areas from the management of their financial affairs. So, the rural areas are lacking in basic work conditions and basic organizations.

To this end, the conference urged: To strengthen the management of the rural financial affairs in 1994 and 1995, we should win a victory in the overall battle of "six cleanups and six changes." "Six cleanups" indicate: Square accounts to solve the problems due to complicated accounting; clear up collective property to protect and expand the collective sector of the economy; clear up internal and external debts to eliminate rural debt chains; eliminate the raising of interest rates to solve the problems of being heavily in debt; eliminate the peasants' burdens to resolutely end the activities of wantonly collecting funds, asking for charges, and apportioning expenses; and clear up excessive staff members to solve overstaffing.

"Six changes" indicate: Implement the provincial people's congress "regulations" on management of funds, "regulations" on contracts, and "regulations" on the auditing work of the rural areas, as well as the "regulations" on the peasants' burden as stipulated by the state and the province—both old and new accumulated funds used to be "owned and managed by communities" in the past and will be "converted into stocks and managed by townships"; change the decentralized management of the funds obtained according to the unified plan into centralized management; change the peasants' burdens from unitary shares to collection of funds from various channels; the basic work relating to the management of financial affairs has been changed from management at will to standardized management; change the ways for management of rural financial affairs from unitary administration to legalization; and change the ways for sorting out rural financial affairs from periodic cleanup to regular auditing examinations. The "six cleanups" and "six changes" will be conducted among villages, communities (groups), collective economic organizations and their subordinate enterprises, enterprises, institutions, township-level enterprises, and town- and township-level financial affairs stations and offices.

The conference stressed: The governments at various levels and all departments concerned should upgrade their understanding and realistically strengthen the leadership over the work relating to the cleanups and changes. On the basis of deeply conducting investigations and study and firmly grasping the implementation of the laws and regulations, we should strengthen the setup of the rural financial affairs management organizations. In the course of conducting the organizational reform, the governments at various levels must not reduce the staff and funds of the rural economic stations, still less "cut the subsidies to them."

Northwest Region

Number of Multi-Functional Markets Increase in Gansu

*OW2206094094 Beijing XINHUA in English 0908
GMT 22 Jun 94*

[Text] Lanzhou, June 22 (XINHUA)—More than 1,700 multi-functional markets have been built in northwest China's Gansu Province, attracting both domestic and overseas business people.

The state reform and opening-up policy has been an eye opener for this remote province.

For this inland province, the construction of the markets has promoted exchanges and circulation of commodities between Gansu and other parts of China.

Lanzhou, capital of the province, is now the biggest wholesale and commodity distribution center in northwest China, especially in garments, daily-use articles, manufactured goods and cloth materials.

The Lanzhou Guanghui cloth material wholesale market is now one of the six biggest of its kind in China.

Linxia Hui Autonomous Prefecture is one the biggest wholesale centers of leather, wool, timber and tea in the northwest.

With rich resources of nonferrous minerals and petrochemical products, the northwest petrochemical market in Lanzhou is now the biggest in China.

The brisk markets have also helped farmers to gauge the real value of their products such as apples, pears, dates and some precious Chinese medicinal herbs which sell well on the domestic market.

Farmers in Gangu county have founded their own grain, edible oil, timber and garment markets.

Increasing numbers of farmers have engaged in business and transportation. They have become more and more aware of the importance of market information in production.

Qinghai Vice Governor on War on Poverty

OW2006080094 Beijing XINHUA in English 0722
GMT 20 Jun 94

[Text] Xining, June 20 (XINHUA)—Qinghai, one of China's poor provinces in the northwest, has declared that the province will get rid of poverty by the end of 2000.

Located on the Qinghai-Tibet plateau, Qinghai has harsh natural conditions and is often hit by natural disasters.

According to Ma Yuanbiao, vice-governor of the province, by the year 2000 Qinghai's animal husbandry production will occupy 30 percent of total agricultural production, the per capita income of farmers and herdsman will be over 500 yuan, and some 50 percent of the total social production value in rural areas will be made by township enterprises.

In the past eight years, the poverty-stricken areas in Qinghai have constructed over 2,300 kilometers of highways and improved farmland soil and grassland. The per capita income has increased by 81 percent in the rural areas.

The provincial government has helped the poor areas to set up nearly 1,000 processing factories for farm and animal husbandry products, mining and metallurgical plants and trained more than 1 million people.

In 1993, the total industrial output value in poor areas was 1.25 billion yuan (about 180 million U.S. dollars), 2.6 times the figure eight years ago.

As a result of these efforts, nearly 70,000 people in the province have escaped poverty every year. But there are still 1.19 million people under the poverty line, one-third of the population in rural areas.

According to a new help-the-poor plan of the province, there will be an average of 170,000 people escaping poverty each year, and 14 percent increase of per capita income, through 2000.

The provincial government has issued policies to encourage enterprises in developed areas to invest in poor areas.

Each year, the province issues 3 million yuan in aid-the-poor loans.

Shaanxi Unfolds Province Anticorruption Check-Up

HK2106035294 Xian Shaanxi People's Radio Network
in Mandarin 0500 GMT 15 Jun 94

[Text] The provincial party committee recently decided to entrust the provincial discipline inspection commission with the task of forming and deploying to some 10 prefectures and cities, as well as some 30 key provincial departments and bureaus, a total of 12 inspection groups comprising nearly 100 cadres from the provincial people's congress, Chinese People's Political Consultative Conference committee, as well as the leading group in charge of building party style and clean government.

The 12 inspection groups will mainly inspect the province's anticorruption work since the start of this year. The provincial party committee has decided that the 12 inspection groups should try to focus on the following developments: 1) Whether or not the party and government cadres at county or provincial department section level have met all five self-examination and self-rectification requirements; 2) Whether or not all exposed corruption cases have been thoroughly investigated and handled; 3) Whether or not various malpractices have been straightened out; and 4) Whether or not the province-wide anticorruption struggle has attained the desired results.

The provincial party committee stressed: The upcoming province-wide anticorruption check-up is an important measure in deepening and prolonging the province's ongoing anticorruption struggle, summing up the province's achievements and progress in the anticorruption struggle since 1993, popularizing the province's successful anticorruption experiences, investigating and tackling each and every existing problem in this connection, strictly implementing this year's three anticorruption tasks, and striving for more tangible achievements in the anticorruption struggle before the end of this year.

Shaanxi Strengthens Environmental Protection

OW1806093994 Beijing XINHUA in English 0905
GMT 18 Jun 94

[Text] Xian, June 18 (XINHUA)—Shaanxi Province in northwest China has scored marked achievements in environmental protection and pollution control.

The province has made great efforts to reduce the discharge of industrial pollutants such as waste gas and water.

Last year the treatment and utilization of waste gas increased by 28 percent, of waste water by 4.7 percent and of solid waste by 0.54 percent, according to Zhang Lianjie, head of the provincial Environmental Protection Bureau.

The provincial government spent over 100 million yuan (about 12 million U.S. dollars) between 1991 and 1992 to complete 503 pollution-control projects.

In 1993 the province built 52 smoke and dust control zones, covering an area of 236.9 sq km, and 21 noise pollution control zones, covering 108 sq km.

The provincial government also relies on universities and scientific research institutes to help reduce pollution in the cement, textile, metallurgical, power, mineral and chemical industries.

Meanwhile, the province has built 13 nature reserves with a total area of over 164,000 ha, and ecological agricultural demonstration zones in nearly 100 villages.

Some 79 rare animals and plants such as crested ibis, golden monkey and davidia involucre are now well protected in the province.

**Chi Haotian: One China, One Taiwan
'Impermissible'**

HK2206053394 Beijing ZHONGGUO XINWEN SHE
in English 1327 GMT 21 Jun 94

[Text] Beijing, June 21 (CNS)—China's State Councillor and Minister of National Defense, General Chi Haotian, met Zambian guests today touching the Taiwan issue. He stressed that Taiwan was one of the provinces of China and the government of the People's Republic of China was the sole legitimate government of China. Any move aimed at splitting Taiwan away from China and practicing the policy of "One China, One Taiwan" was impermissible.

—Mr Chi said China appraised highly of the correct stance held by Zambia on this issue.

—Mr Chi said China emphasized on friendly relations with Zambia and hoped the two countries and the two armies would continuously develop their friendly cooperative relations.

—Mr Chi also said he was very glad to accept the invitation extended by the Zambian national defense minister to visit Zambia.

Taiwan's Dual-Recognition Strategy Condemned

HK1906073194 Beijing LIAOWANG in Chinese No 23,
6 Jun 94 p 46

[Article by Yuan Yang (6678 3152): "Commenting on Taiwan Leader's Visit to Four Countries"]

[Text] Between early and mid May, the Taiwan authorities' top leader made a visit to four countries in Central America and Africa. What image has Taiwan conjured up in the international community? What impact will it exert on cross-strait relations? People might size up the situation and make a judgment on it by linking it to the Taiwan authorities' past behavior.

The deepest impression the four-country trip left us is precisely that this Taiwan leader "tossing silver dollars along his way"—was giving dollar-alms to some economically underdeveloped impoverished and small countries to buy their popular support for Taiwan's "return to the United Nations."

Last year, the Taiwan authorities' attempt to "return to the United Nations" met with the opposition and resistance of the international community and went bankrupt, but they would not let the matter drop. Since the beginning of this year, the Taiwan authorities have stepped up their activities, with some prominent figures made frequent trips to visit some foreign countries to demonstrate Taiwan's status as a "sovereign state." During the spring festival this year, the Taiwan authorities' leader went to some Southeast Asian countries on "holiday calls"; an important purpose of which was precisely to rely on its "strength in economy and trade" "to expand its international living space," in an attempt to become a dialogue partner with ASEAN countries so as to obtain its status of a political

body and thus squeeze itself into this regional international organization, thereby laying a foundation for its future "return to the United Nations." To achieve this purpose, the Taiwan authorities have provided several Southeast Asian countries with \$150 million low-interest loans in the form of aid.

During his four-country visit this year, he was playing the same old trick, and continued to buy popular support with huge sums of money. In Nicaragua, he forgave its \$17 million loan, in addition to providing it with a \$30 million low-interest loan in exchange for Nicaragua's support for Taiwan's "return to the United Nations." In Costa Rica, he provided the country with a \$15 million low-interest loan in exchange for the country's guarantee to support Taiwan's "return to the United Nations." In South Africa, he provided the country with \$15 million to consolidate "diplomatic relations" between the two sides. In Swaziland, he also provided the country with a considerable loan.

To accomplish certain political aims, the Taiwan authorities also provided funds for the candidates in some countries' general elections, which can be likened to placing bets on those who had greater probabilities to win, aside from giving alms in public. Such improper practices already have aroused reproaches and repugnance from political circles and the masses in some countries. The Taiwan people have long expressed their resentment of the authorities' squandering money. They indicated that "dollar diplomacy" was like taking a stimulant that had only a brief effect, but would not effect permanent cure." A major Taiwan newspaper expressed doubt as to what role such countries' accepting aid could play in Taiwan's "return to the United Nations." The paper said, compared with over 100 UN members, the strength of the friendly Central and South American countries was limited, even insignificant.

The important task in the four-country visit by the Taiwan leader was to consolidate "diplomatic relations" with South Africa through the swearing-in ceremonies for newly elected South African President Mandela. For this reason, aside from providing the loan, he expected the new South African administration would develop its relations with Taiwan and PRC according to the "dual recognition" pattern. In coordination with this, some Taiwan officials, media, and hired scholars once again raised a hubbub concerning the theory of "dual recognition." Some high-ranking responsible persons openly asserted that Taiwan was ready to accept "dual recognition," regardless of the one-China principle.

In fact, reviewing the various tricks to which the Taiwan authorities have resorted since the 1960's in their fight for "international living space," it is not difficult to see that the "dual recognition" attempt has never succeeded, but some decision-makers among the Taiwan authorities have failed to realize their errors and mend their ways, while increasingly distancing themselves from the "one-China" principle.

In the 1960's, France, the Congo, and Dahomey established diplomatic relations with PRC; at that time, Taiwan's embassies tried to stay in those countries and would not leave. At last, they had to lower the flag, remove the embassies, and leave those countries.

In late 1980's, the Taiwan authorities set out the principle of "pragmatic diplomacy," and changed from "swearing not to coexist with the enemy" to "staying put when the enemy comes." Regarding "dual recognition at that time, the Taiwan authorities adopted the practice of doing it, but not saying it aloud.

In the early 1990's, the Taiwan authorities dished up the "Program for National Reunification," announcing that "under the prerequisite of one China, Taiwan and Mainland China should show respect for one another without rejecting each other in international affairs." When this program was presented, it came under fire from Mainland China and from figures who showed concern for the reunification of the motherland, while indicating that in the program the adherence to one China was false, the truth was to deepen the split between Taiwan and the motherland.

Under such circumstances, the Taiwan authorities dare not announce openly that their pursuit in promoting "dual recognition" is the goal of their "diplomatic policy"; in practice, however, they have never given up the opportunity and attempt to promote it.

Recently, a responsible person of Taiwan's "Executive Yuan" stated: By "dual recognition" we mean a sort of parallel relation, not one of opposition. Therefore, he had to admit that Mainland China would by no means agree to such a concept. It follows that Taiwan is to face lots of difficulties in "diplomatic work."

Obviously, the resolute opposition to "dual recognition" on the part of Mainland China is based on the fundamental interests of the entire Chinese nation, and on firmly safeguarding the "one China" principle. As adherence to the "one China" principle is an important tie to maintain the fresh-and-blood relations of the compatriots in Taiwan and China Mainland, any speech or action deviating from or shaking this important principle will seriously affect the healthy development of interactive cross-strait relations.

An increasingly growing number of facts demonstrated that in handling foreign relations or relations with the mainland, some decision-makers among the Taiwan authorities are dangerously moving further from the path of the "one China" principle. Recently, a person in office representing the Taiwan authorities said that the concept of "China" is vague. It would not be strange if this statement had been made by some Taiwan Democratic Progress Party member, but it was made by none other than a person in office representing the Taiwan authorities, and that has given us much food for thought. How can he adhere to the "one China" principle? What position has he placed himself in before the righteous cause of the Chinese nation and history?

'Roundup' Views Taiwan Investment in Shanghai

HK2106151094 Beijing ZHONGGUO XINWEN SHE
in Chinese 0724 GMT 14 Jun 94

["Roundup" by reporter Jin Songtai (6855 2646 0669): "In First Five Months This Year, Shanghai Attracts the Highest Level of Taiwan Investment on the Mainland"]

[Text] Beijing, 14 June (ZHONGGUO XINWEN SHE)—The "Investment Inspection Council of the Economic Ministry" of Taiwan has made an announcement on the situation of Taiwan businessmen's investment in the mainland between January and May 1994. Statistics show that Shanghai remained the area where Taiwan businessmen made the largest total amount of investment on the mainland. Of the 475 mainland investment projects, 66 were in Shanghai, where the investment amount totaled \$68.54 million, far greater than that in Shenzhen, which ranked second place.

Although Shanghai lacks natural and geographic partners for close economic relations—like those that exist between Guangdong and Hong Kong, between Fujian and Taiwan, and between Shandong and South Korea—Shanghai is still the favorite of Taiwan investors. In particular, some companies which have achieved initial successes in Shanghai are making additional investments, which form a substantial force.

The chain store business, which began in 1992, is now the key point of competition among overseas corporations. Chung Hsing Group and Pacific Construction, companies that run chain department stores in Taiwan, have launched investment projects in Shanghai. In view of the good business prospects in Shanghai, Pacific Construction will launch a second-phase \$7.2-million investment project in Shanghai's Pacific Department Store, which will increase its total stake in the department store to \$12.7 million. Ouyang Yi-ming, the company's general manager, said that the rapid business growth in Shanghai prompted them to make the decision on the construction of the second building for the Shanghai Pacific Department Store.

Last month, the board of directors of the Hua-hsin Li-hua Company, the Taiwan cable and wire producing enterprise that made the highest amount of indirect investment in the mainland, held a meeting to adopt three indirect mainland investment schemes. Its original plan for building a power and cable plant in Jiangsu's Wuxi was shifted to Shanghai, with the amount of investment increasing from \$3.5 million to \$6.75 million. Before that, Hua-hsin Li-hua had already invested and run factories in Shanghai, Jiangsu, and Wuhan.

Shanghai became the Taiwan businessmen's favorite investment target thanks to Shanghai's vital relations with the Chang Jiang. After Shanghai was built into a port city in 1843, it continued to be a major foreign trade port for the entire Chang Jiang valley. Taiwan's Chang Jung Shipping decided to make investment in Shanghai precisely because it took this fact into account. On 14 May, the shipping company signed an official contract with the

Shanghai Harbor Authority on building a container terminal with an area of 60,000 square meters along Baoshan's Jungong Road. The project will be completed and put into operation in approximately one year and will be named the Shanghai Chang Jung Container Corporation. The Shanghai side exchanged the land for shares of the company and the Chang Jung's holding in the company will not be limited. In addition, Chang Jung will have full management power.

A number of Taiwan-funded enterprises engaged in labor-intensive industries such as plastics, footwear, garments, and mechanical tools have been set up in the nine suburban districts and counties. They and the urban Taiwan investment projects, primarily engaged in tertiary industry, support and supplement one another. In the first quarter of this year, Taiwan-funded enterprises in Shanghai's suburban areas numbered 846 and accounted for 51.8 percent of the total number of Taiwan-funded enterprises in Shanghai. Of the suburban Taiwan-funded enterprises, 70 percent were labor-intensive ones.

Experts expect that Shanghai will become the base for the mainland headquarters of many Taiwan companies in the near future. After Citibank decided to move its China headquarters from Hong Kong to Shanghai and Morgan Stanley decided to move its Asia headquarters from Hong Kong to Shanghai, other foreign corporations may take similar action and this will give a warning to Taiwan

businessmen: Do not let this opportunity slip by. Wei Chuan Group built a food producing center in Shanghai as its operation center in the mainland; Xiamen Kun Tsan, which was the first foreign-owned company to be listed in the mainland stock market, moved its mainland headquarters to Shanghai and also proceeded from Shanghai to sell its products in all parts of the country, thus becoming the model for Taiwan companies seeking to enter the mainland market.

Yang Wen-fan, general manager of the China market headquarters of Kun Tsan, said that Shanghai plays two functions which cannot be replaced by other cities. It is the city that absorbs information and provides opportunities more directly and rapidly. The city is also the sole "economic window" which can radiate to all parts of the mainland market. As long as products can sell well in Shanghai and gain fame, they will certainly become popular in nearby provinces and cities.

Since Shanghai became the key point of the mainland's reform and opening and once again became the economic, financial, and trade center of the Chinese mainland, it has certainly had great influence among Taiwan businessmen. In fact, Taiwan businessmen have had a strong interest in Shanghai for a long time, and this shows that they are well-aware of Shanghai's position. As Taiwan's CHING CHI JIH PAO said, in order to occupy the mainland market, one must first gain a foothold in Shanghai.

President Greet Military Academy Anniversary*OW2206003094 Taipei CHUNG YANG JIH PAO in Chinese 17 Jun 94 p 1*

[Excerpt] The date 16 June 1994 marks the 70th anniversary of the Military Academy and the 70th anniversary of the founding of the Huangpu [Whampoa] Army. President Li Teng-hui issued a message of greetings to mark the occasion, exhorting the Armed Forces to carry forward the Huangpu spirit, to shoulder heavy responsibility, to safeguard national security, to be the cornerstone of social stability, to be the means for building and reforming the nation, and to be the backup force for national unification.

President Li said: The founding of the Republic of China [ROC] is aimed at building a wealthy, strong, and unified country to enable all Chinese countrymen to be blessed by the Three Principles of the People. Although this goal has been initially achieved in Taiwan, Penghu, Kinmen, and Matsu, our compatriots on Mainland China are still living under Communist totalitarian rule. Our country is still in a divided state and is still being ruled separately. Moreover, Communist China's threat against Taiwan—our national rejuvenation base—has always been there.

President Li pointed out: Therefore, currently our work, on the one hand, should be aimed at building up the Armed Forces and heightening combat readiness to ensure Taiwan's security, and at gaining the initiative in developing relations with the mainland. On the other hand, we should endeavor to sustain Taiwan's economic development and to promote democracy and constitutional rule, so that we may use a more spectacular "Taiwan Miracle" to induce a peaceful change on the mainland and to pursue national unification in a democratic way so the people can enjoy freedom and equal distribution of wealth. Therefore, the Armed Forces' tasks not only have not been reduced because of the end of the period of mobilization for suppressing the Communist rebellion; on the contrary, the nation's reliance on the Armed Forces will increase as the country carries out national building and reform in all fields.

President Li said: This year marks the 70th anniversary of the founding of the nation's Armed Forces. Over the last 70 years, to fulfill Dr. Sun Yat-sen's wishes and to rescue the nation from great dangers, the Armed Forces, under the leadership of late President Chiang Kai-shek, have successfully carried out the Northern Expedition with a small army against larger ones, and have won the War of Resistance Against Japan with a weaker army against a stronger one. And, over the last 40 years and more, our officers and men of the new generation have smashed Communist China's repeated armed provocations in the Taiwan Strait. They not only have strengthened the national rejuvenation base to provide a secure and stable environment for developing the "Taiwan Miracle," but also have laid a foundation for achieving national unification in a democratic way so the people can enjoy freedom and equal distribution of wealth. [passage omitted]

Fang Lizhi Arrives in Taipei for Lecture Tour*OW2206090894 Taipei CNA in English 0824 GMT 22 Jun 94*

[By Debbie Kuo]

[Excerpts] Taipei, June 22 (CNA)—World renowned mainland Chinese astrophysicist and democracy activist Fang Lizhi is in Taiwan for his third lecture tour of the island since 1990. [passage omitted]

During his weeklong stay, Fang, who left Mainland China for Europe after the chaos of the 1989 Tiananmen Square massacre, will also meet with officials of the cabinet-level Mainland Affairs Council to exchange views on the effect of the Qiandao lake incident on people from both sides of the Taiwan strait.

Legislator Criticizes Qiandao Lake Trial*OW2106211894 Taipei TZU LI WAN PAO in Chinese 16 Jun 94 p 3*

[Article contributed by Lu Hsiu-lian, Taiwan Democratic Progressive Party Legislative Branch member, to the "Forum" column: "Expose and Analyze the Hangzhou Court's Hoax; An Urgent Appeal Arising From the Qiandao Lake Incident"]

[Excerpts] History Seems To Be Repeating Itself, With the Only Difference Being That Time and Space Have Changed

The time was changed from March 1980 to June 1994, and the place was moved from Taipei's Chingmei Military Tribunal to the Hangzhou Intermediate People's Court, the difference being that the Kuomintang ordered its court to indict eight Taiwan democratic fighters on sedition charges and that the CPC ordered the Hangzhou court to sentence three young Chinese men to die on charges of robbery and murder. Two different cases; hence, different meanings. But the method which the Chinese Communists used to try the culprits who were involved in the Qiandao Lake incident was almost identical to the one adopted by the Kuomintang 14 years ago when it put on trial those involved in the Kaohsiung incident. Because, however, of the valiant defense put up by those who were charged in the Kaohsiung incident and their lawyers, the Kuomintang's prepared script went awry. Following a successive retraction of confessions extracted during interrogations and the launching of a counterattack, the eight "most wanted persons of the Kuomintang" survived their courtroom ordeal. Woe betide the three young men in Hangzhou who will be made the scapegoats and who will pay with their lives within days for the vicious killings on Qiandao Lake, thus adding three more wronged ghosts to the netherworld.

I was the first one who openly retracted a forced confession during the great trial in the military court many years ago. Because I have been working on behalf of the families of the Qiandao Lake incident's victims, I know instantly the hypocrisy and the illegality of the trial by the Hangzhou intermediate court of the three persons who were charged with robbery and murder. The Hangzhou intermediate

court has violated the "human rights" safeguard standard as set forth in modern international law—that is, all have the right to an open and free trial.

Seriously Violate the "Due Process of Law"

I had intended to go with the families of the victims to Hangzhou for the court hearing. Being unable to make the trip, I became resigned to reading newspaper reports about the case. I found that in handling this case, China has at least seriously violated the "due process of law."

1. The contents of the indictment document have not been made known to the public. The families of the victims and their lawyers also have not received copies of the indictment. Even the Strait Exchange Foundation [SEF] said that it has no idea about the contents of the indictment.

2. Although claiming an open trial, the court did not allow the lawyers of the victims' families or Taiwan legislators to attend the court proceedings. The SEF was notified, just 24 hours before the opening of the trial, that it would be allowed to send a person "in his capacity as an individual" to attend the court hearing. This was too late, because there were neither flights nor enough time to reach Hangzhou. It was reported that most of the people who attended the court hearing dressed well. Men were reported wearing Western suits and women wearing traditional Chinese-style dresses. They were apparently senior Communist officials. At the center of the courtroom there hung a red cloth banner with the words "The Qiandao Lake incident trial court" written on it. It looked rather like the holding of a wedding reception or the staging of a theatrical play. It was completely out of place for a court which was supposed to be holding a great trial of robbers and murderers who had committed the heinous crime of killing 32 people.

3. Reporters were prohibited from attending the court hearing. They were only allowed to watch the court hearing on a television at a building across the court. Photos and videotaping were also forbidden. Many plainclothesmen surreptitiously took photos of or videotaped reporters who were at the scene to cover the event. The Communists even brazenly offered to sell reporters a 20-minute censored and edited videotape of the trial for \$100.

4. The trial was conducted on 10-11 June. The three persons who were accused of the crime each were given two death sentences on the morning of 12 June. But, 12 June was a Sunday. There is no country in the world which holds trials on Sundays. It was also strange and uncommon that the Hangzhou court hastily handed down death sentences on Sunday, just one day before the Dragon Boat Festival, which falls on 13 June and which is one of China's three major festivals and a day for family reunions. It was a great feat indeed that they managed to finish drafting, typing, and proof-reading a long-winded court verdict just a few hours after the trial. All this points to the fact that the Communist authorities wanted to speedily conclude the case and that the court verdict had already been prepared before the trial opened. The court trial was nothing but a political farce.

Flatly Reject the Legitimacy and Authenticity of the Trial

The above are the serious procedural flaws that I found in the course of the Qiandao Lake trial. People who did not the trial also can discern these criticisms, but if one were present at the trial, one surely would have found even more instances of absurdity and hypocrisy. Because of these obvious and serious procedural flaws, we of course question whether the three who were charged with the crime were the real culprits. Therefore, we should categorically reject the legitimacy and authenticity of the verdict.

As a matter of fact, we can detect a great deal of white-washing even from the limited images contained in the doctored videotape. When arriving at the court to stand trial, the three persons who were accused of the crime wore smiles and were at ease. They did not look like vicious robbers who had committed such a heinous crime. When recounting the commission of the crime, they readily answered questions while cooperating perfectly with the judge. They even consulted prepared notes when replying to the judge's questions. They seemed to be memorizing the script. They did not give a slightest impression that an imminent disaster would soon befall them. They also did not betray a trace of fear that their heads would soon be chopped off.

That scene reminded me of the Wu Tai-an communist spy case, which occurred one year before the Kaohsiung incident. [passage omitted]

Are Wu Lihong, Hu Zhihan, and Yu Aijun the real culprits who were involved in the Qiandao Lake incident and who cruelly killed 32 people? Were they capable of committing such a heinous crime? With what sort of weapons did they commit the crime? We've got to know the answers to these questions, because these have to do with the real truth of the tragedy and with the criminal responsibility of the three accused persons. However, the accounts given in the court by the three accused persons were evasive, far-fetched, and tended to avoid the important and dwell on the trivial when it came to the important points. The judge did not have the slightest intention of energetically pursuing the case by asking more penetrating questions, and he left major suspicious points unclarified. For instance, were there more than three persons who committed the crime? What kinds of guns were used in the crime? What was the actual situation of the setting of the boat on fire? What were the real causes of death? Were the victims killed by gunshots? Were they burned to death? Or, were they just asphyxiated? These issues were all left unprobed. One can see clearly that the truth of the case had not been brought to light with the conclusion of the two-day trial. Instead, the truth may never be known because of the hurried sentencing and execution of the three accused persons.

We Should Never Allow Ourselves To Be Treated as Idiots and as the Meat on the Chopping Block

Following the handing down of the verdict, presiding Judge Yang Gang immediately called a news conference at

which he insisted that there were only three culprits and that "there were absolutely no other people involved in this case." The chairman of Zhejiang's Taiwan affairs office also called on Taiwan compatriots to believe in the sincerity of the Chinese Communists and not to let the Qiandao Lake incident affect the feelings between the people living on both sides of the strait and hamper the "virtuous development" of the cross-strait relationship.

Well, if this is their wish, then why didn't they let lawyers representing the families of the victims attend the court hearing? Why didn't they allow reporters to visit the scene of the crime? Why did they go to such unusual lengths in covering up the case following its occurrence? These all

point to the fact that there must have been a cover-up of the Qiandao Lake incident. There must be other real culprits.

Even when things have reached such a state, the Communist authorities still treat the "Taiwan compatriots" like idiots; they still want to treat Taiwan as the meat on the chopping block.

My dear Taiwan compatriots, do you still want to be treated like idiots by the Communists?

Here is a warning to those incompetent officials at the SEF and Mainland Affairs Council: If you still continue to treat Taiwan as meat on the chopping block for others to chop, we will surely force you to step down.

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